AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON JUNE 19, 1998
REGISTRATION NO. 333-

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM S-4
REGISTRATION STATEMENT

UNDER
THE SECURITIES ACT OF 1933

MEDIACOM LLC
MEDIACOM CAPITAL CORPORATION
(EXACT NAME OF REGISTRANTS AS SPECIFIED IN THEIR CHARTERS)

NEW YORK NEW YORK	4841 4841	06-1433421 06-1513997
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	(PRIMARY STANDARD INDUSTRIAL CLASSIFICATION CODE NUMBER)	(I.R.S. EMPLOYER IDENTIFICATION NUMBER)

100 CRYSTAL RUN ROAD
MIDDLETOWN, NEW YORK 10941
(914) 695-2600
(ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF REGISTRANT'S PRINCIPAL EXECUTIVE OFFICES)

ROCCO B. COMMISSO
MANAGER
MEDIACOM LLC
100 CRYSTAL RUN ROAD
MIDDLETOWN, NEW YORK 10941
(914) 695-2600
(NAME, ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF AGENT FOR SERVICE)

COPIES TO:
ROBERT L. WINIKOFF, ESQ.
COOPERMAN LEVITT WINIKOFF LESTER & NEWMAN, P.C.
800 THIRD AVENUE
NEW YORK, NEW YORK 10022
(212) 688-7000

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC:
As soon as practicable after this Registration Statement becomes effective.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. [_]

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [_]

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [_]

CALCULATION OF REGISTRATION FEE

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	AMOUNT TO BE REGISTERED	PROPOSED MAXIMUM OFFERING PRICE PER UNIT(1)	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE(1)	AMOUNT OF REGISTRATION FEE
8 1/2% Senior Notes due 2008..................	$200,000,000	100%	$200,000,000	$59,000

(1) Estimated solely for the purpose of calculating the amount of the registration fee in accordance with Rule 457 under the Securities Act of 1933.

THE REGISTRANTS HEREBY AMEND THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANTS SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS

REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933 OR UNTIL THIS REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE SECURITIES AND EXCHANGE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(A), MAY DETERMINE.

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SUBJECT TO COMPLETION, DATED JUNE 19, 1998

PROSPECTUS

OFFER TO EXCHANGE
SERIES B 8 1/2% SENIOR NOTES DUE 2008
FOR ALL OUTSTANDING 8 1/2% SENIOR NOTES DUE 2008
OF
MEDIACOM LLC
MEDIACOM CAPITAL CORPORATION

THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON   , 1998 UNLESS EXTENDED.

Mediacom LLC, a New York limited liability company ("Mediacom" and, together with its operating subsidiaries, the "Company"), and Mediacom Capital Corporation, a New York corporation ("Mediacom Capital" and together with Mediacom, the "Issuers"), hereby offer (the "Exchange Offer"), upon the terms and subject to the conditions set forth in this Prospectus (the "Prospectus") and the accompanying Letter of Transmittal (the "Letter of Transmittal"), to exchange $1,000 principal amount of their Series B 8 1/2% Senior Notes due 2008 (the "Series B Notes"), which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), pursuant to a Registration Statement of which this Prospectus is a part, for each $1,000 principal amount of their outstanding 8 1/2% Senior Notes due 2008 (the "Series A Notes"), of which $200,000,000 in aggregate principal amount are outstanding on the date hereof. The form and terms of the Series B Notes are the same as the form and terms of the Series A Notes (which they replace) except that the Series B Notes will bear a "Series B" designation and will have been registered under the Securities Act and, therefore, will not bear legends restricting their transfer, and holders of the Series B Notes will not be entitled to certain rights of holders of Series A Notes under the Exchange and Registration Rights Agreement (as defined), which rights will terminate upon the consummation of the Exchange Offer. The Series B Notes will evidence the same debt as the Series A Notes (which they replace) and will be entitled to the benefits of an Indenture dated as of April 1, 1998 governing the Series A Notes and the Series B Notes (the "Indenture"). The Series A Notes and the Series B Notes are sometimes referred to herein collectively as the "Notes." See "Description of the Notes" and "The Exchange Offer."

Interest on the Notes will be payable semi-annually on April 15 and October 15 of each year, commencing on October 15, 1998, The Notes will mature on April 15, 2008. Except as described below, the Issuers may not redeem the Series B Notes prior to April 15, 2003. On and after such date, the Issuers may redeem the Series B Notes, in whole or in part, at the redemption prices set forth herein, together with accrued and unpaid interest, if any, to the date of redemption. In addition, at any time on or prior to April 15, 2001, the Issuers may redeem up to 35% of the original principal amount of the Series B Notes with the Net Cash Proceeds (as defined) of one or more Equity Offerings (as defined) by Mediacom, at a redemption price in cash equal to 108.5% of the principal amount to be redeemed plus accrued and unpaid interest, if any, to the date of redemption; provided that at least 65% of the original aggregate principal amount of the Series B Notes remains outstanding immediately after each such redemption. The Series B Notes will not be subject to any sinking fund requirement. Upon the occurrence of a Change of Control (as defined), each holder of the Series B Notes will have the right to require the Issuers to repurchase all or any part of such holder's Series B Notes at a price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to the date of repurchase. See "Description of the Notes--Optional Redemption" and "--Repurchase at the Option of Holders--Change of Control." There can be no assurance that sufficient funds will be available if necessary to make any required repurchases. See "Risk Factors--Ability to Purchase Notes Upon a Change of Control."

The Series B Notes will be unsecured, senior obligations of the Issuers ranking pari passu in right of payment with all other existing and future unsecured Indebtedness of the Issuers, other than any Subordinated Obligations (as defined). The Series B Notes will be effectively subordinated in right of payment to any secured Indebtedness of the Issuers. Mediacom is a holding company and conducts its business through its Subsidiaries (as defined). Accordingly, the Series B Notes will be effectively subordinated to all existing and future Indebtedness and other liabilities (including trade payables) of the Subsidiaries. As of March 31, 1998, after giving pro forma effect to the Series A Notes Offering (as defined) and the use of the net proceeds therefrom, the Company would have had approximately $321.3 million of Indebtedness outstanding (including approximately $121.3 million of Indebtedness of the Subsidiaries). The Indenture permits the Company to incur additional Indebtedness, including secured Indebtedness, subject to certain restrictions. See "Capitalization" and "Description of the Notes--Ranking."

Each Series B Note will bear interest from its issuance date. Holders of Series A Notes that are accepted for exchange will receive, in cash, accrued interest thereon to, but not including, the issuance date of the Series B

Notes. Such interest will be paid with the first interest payment on the Series B Notes. Interest on the Series A Notes accepted for exchange will cease to accrue upon issuance of the Series B Notes.

The Issuers will accept for exchange any and all validly tendered Series A Notes not withdrawn prior to 5:00 p.m., New York City time, on , 1998, unless extended by the Issuers in their sole discretion (the "Expiration Date"). Tenders of Series A Notes may be withdrawn at any time prior to 5:00 p.m., New York City time, on the Expiration Date. The Exchange Offer is subject to certain customary conditions. See "The Exchange Offer--Conditions." Series A Notes may be tendered only in integral multiples of $1,000. In the event the Issuers terminate the Exchange Offer and do not accept for exchange any Series A Notes, the Issuers will promptly return all previously tendered Series A Notes to the holders thereof.

SEE "RISK FACTORS," WHICH BEGINS ON PAGE 17 OF THIS PROSPECTUS, FOR A DESCRIPTION OF CERTAIN RISKS TO BE CONSIDERED BY HOLDERS WHO TENDER THEIR SERIES A NOTES IN THE EXCHANGE OFFER.

(Continued on following page)

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE DATE OF THIS PROSPECTUS IS , 1998

(Continued from previous page)

The Series A Notes were sold by the Issuers on April 1, 1998 to the Initial Purchaser (as defined) in a transaction not registered under the Securities Act in reliance upon an exemption under the Securities Act (the "Series A Notes Offering"). The Initial Purchaser subsequently resold the Series A Notes within the United States to qualified institutional buyers in reliance upon Rule 144A under the Securities Act and outside the United States in accordance with Regulation S under the Securities Act. Accordingly, the Series A Notes may not be reoffered, resold or otherwise transferred in the United States unless registered under the Securities Act or unless an applicable exemption from the registration requirements of the Securities Act is available. The Series B Notes are being offered hereunder in order to satisfy the obligations of the Issuers under the Exchange and Registration Rights Agreement. See "The Exchange Offer."

Based on no-action letters issued by the staff of the Securities and Exchange Commission (the "Commission") to third parties, the Issuers believe the Series B Notes issued pursuant to the Exchange Offer may be offered for resale, resold and otherwise transferred by any holder thereof (other than any such holder that is an "affiliate" of the Issuers within the meaning of Rule 405 under the Securities Act) without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that such Series B Notes are acquired in the ordinary course of such holder's business and that such holder does not intend to participate and has no arrangement or understanding with any person to participate in the distribution of such Series B Notes. See "The Exchange Offer--Purpose and Effect of the Exchange Offer" and "--Resale of the Series B Notes." Each holder of the Series A Notes who wishes to exchange the Series A Notes for Series B Notes in the Exchange Offer will be required to represent in the Letter of Transmittal that at the time of the consummation of the Exchange Offer (i) it is not an affiliate of the Issuers or, if it is such an affiliate, such holder will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable, (ii) the Series B Notes to be received by it are being acquired in the ordinary course of its business and (iii) it has no arrangements or understanding with any person to participate in the distribution of the Series A or Series B Notes within the meaning of the Securities Act. Each broker-dealer (a "Participating Broker-Dealer") that receives Series B Notes for its own account pursuant to the Exchange Offer must acknowledge that it will deliver a prospectus in connection with any resale of such Series B Notes. The Letter of Transmittal states that by so acknowledging and by delivering a prospectus, a Participating Broker-Dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. This Prospectus, as it may be amended or supplemented from time to time, may be used in connection with resales of Series B Notes received in exchange for Series A Notes only by Participating Broker-Dealers ("Eligible Participating Broker-Dealers") who acquired such Series A Notes as a result of market-making activities or other trading activities and not by Participating Broker-Dealers who acquired such Series A Notes directly from the Issuers. The Issuers have agreed that, for a period of 90 days after the Expiration Date, they will make this Prospectus available to any Eligible Participating Broker-Dealer for use in connection with any such resale. See "Plan of Distribution."

Holders of Series A Notes not tendered and accepted in the Exchange Offer will continue to hold such Series A Notes and will be entitled to all the rights and benefits and will be subject to the limitations applicable thereto under the Indenture and with respect to transfer under the Securities Act. The Issuers will pay all the expenses incurred by them incident to the Exchange Offer. See "The Exchange Offer."

There has not previously been any public market for the Series A Notes or the Series B Notes. The Issuers do not intend to list the Series B Notes on any securities exchange or to seek approval for quotation through any automated quotation system. There can be no assurance that an active market for the Series B Notes will develop. See "Risk Factors--Absence of Public Market; Restrictions on Transfer." Moreover, to the extent that Series A Notes are tendered and accepted in the Exchange Offer, the trading market for untendered and tendered but unaccepted Series A Notes could be adversely affected.

The Series B Notes will be available initially only in book-entry form. The Issuers expect that the Series B Notes issued pursuant to this Exchange Offer will be issued in the form of a Global Note (as defined), which will be deposited with, or on behalf of, The Depository Trust Company (the "Depository") and registered in its name or in the name of Cede & Co., its nominee. Beneficial interests in the Global Note representing the Series B Notes will be shown on, and transfers thereof to qualified institutional buyers or to foreign purchasers will be effected through, records maintained by the Depository and its participants. After the initial issuance of the Global Note, Series B Notes in certified form will be issued in exchange for the Global Note only on the terms set forth in the Indenture. See "Book Entry--Delivery and Form."

HISTORICAL AND PRO FORMA FINANCIAL STATEMENTS

THE FINANCIAL STATEMENTS AND DATA OF THE ENTITIES INDICATED HEREIN ARE OF BUSINESSES ACQUIRED BY THE COMPANY SINCE ITS COMMENCEMENT OF OPERATIONS IN 1996. SUCH COMPANIES HAVE HAD DIFFERENT MANAGEMENT AND COST STRUCTURES. THE FINANCIAL STATEMENTS AND DATA INCLUDED HEREIN ALSO INCLUDE HISTORICAL CONSOLIDATED FINANCIAL STATEMENTS AND DATA OF THE COMPANY AND SUCH BUSINESSES. THE FINANCIAL STATEMENTS AND DATA INCLUDED HEREIN, IN PARTICULAR THE UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL DATA, DO NOT NECESSARILY INDICATE THE RESULTS OF OPERATIONS OR FINANCIAL CONDITION OF THE COMPANY THAT WOULD HAVE BEEN REPORTED FOR THE PERIODS INDICATED FOR A VARIETY OF REASONS, INCLUDING DIFFERENCES IN OPERATING AND OTHER COSTS, DIFFERENCES IN ACCOUNTING POLICIES AND PROCEDURES AND DIFFERENCES IN COST OF CAPITAL. IN ADDITION, THE UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL DATA HAVE NOT BEEN PREPARED IN ACCORDANCE WITH UNITED STATES GENERALLY ACCEPTED ACCOUNTING PRINCIPLES ("GAAP") BECAUSE GAAP DOES NOT ALLOW FOR THE AGGREGATION OF FINANCIAL DATA FOR ENTITIES THAT ARE NOT UNDER COMMON OWNERSHIP. SUCH PRO FORMA CONSOLIDATED FINANCIAL DATA ARE INCLUDED HEREIN FOR INFORMATIONAL PURPOSES AND WHILE MANAGEMENT BELIEVES THAT THEY MAY BE HELPFUL IN UNDERSTANDING THE PAST OPERATIONS OF THE ENTITIES, ON SUCH A CONSOLIDATED BASIS, UNDUE RELIANCE SHOULD NOT BE PLACED THEREON.

MARKET DATA

UNLESS OTHERWISE INDICATED HEREIN, THE CABLE TELEVISION INDUSTRY AVERAGES FOR SUBSCRIBER GROWTH, PREMIUM PENETRATION AND AVERAGE MONTHLY REVENUES PER BASIC SUBSCRIBER HAVE BEEN OBTAINED FROM A LEADING CABLE TELEVISION INDUSTRY PUBLICATION RELEASED IN JUNE 1997.

SUMMARY

The following summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information, risk factors and historical and pro forma financial statements, including the related notes, appearing elsewhere in this Prospectus. As used in this Prospectus, unless the context otherwise requires: (i) "Issuers" refers, collectively, to Mediacom LLC ("Mediacom") and Mediacom Capital Corporation ("Mediacom Capital"), a wholly-owned subsidiary of Mediacom; (ii) "Company" refers to Mediacom and its operating subsidiaries (the "Subsidiaries"), presently comprising Mediacom Southeast LLC ("Mediacom Southeast"), Mediacom California LLC ("Mediacom California"), Mediacom Arizona LLC ("Mediacom Arizona") and Mediacom Delaware LLC ("Mediacom Delaware"); (iii) "1997 Systems" refers to the cable television systems owned by the Company as of December 31, 1997; (iv) "1998 Systems" refers to the cable television systems acquired by the Company in January 1998 from affiliates of Cablevision Systems Corporation (the "Cablevision Systems") and from Jones Cable Income Fund 1-B/C Venture whose general partners are affiliates of Jones Intercable, Inc. (the "Jones System"); (v) "Systems" refers to the 1997 Systems and the 1998 Systems; and (vi) all references to the Company's business and financial performance "on a pro forma basis" give effect to the Systems as if owned by the Company at the beginning of the related period or as of the applicable date. See "Glossary" for the definition of certain terms appearing herein.

THE COMPANY

OVERVIEW

Mediacom was founded in July 1995 by Rocco B. Commisso principally to acquire, operate and develop cable television systems through its Subsidiaries in selected non-metropolitan markets of the United States. Mr. Commisso is the Chairman and Chief Executive Officer of Mediacom and has over 20 years of experience with the cable television industry. To date, the Company has completed eight acquisitions of cable television systems that, as of March 31, 1998, passed approximately 482,800 homes and served approximately 343,700 basic subscribers. The Company is currently among the top 25 multiple system operators ("MSOs") in the United States, operating in 14 states and serving 309 franchised communities.

In pursuing its business strategy, the Company has sought to take advantage of market opportunities to acquire underperforming and undervalued cable television systems principally in non-metropolitan markets and to build subscriber clusters through regionalized operations. From March 1996 to December 1997, the Company completed six acquisitions of cable television systems that, as of March 31, 1998, served approximately 64,300 basic subscribers in California, Arizona, Delaware and Maryland (the "1997 Systems"). In January 1998, the Company acquired cable television systems in two separate transactions that, as of March 31, 1998, served approximately 279,400 basic subscribers in eleven states, principally Alabama, California, Florida, Kentucky, Missouri and North Carolina (the "1998 Systems"). The aggregate purchase price for the 1997 Systems and the 1998 Systems (collectively, the "Systems") was approximately $428.2 million (before closing costs and adjustments), representing an acquisition price of approximately $1,246 per basic subscriber. On a pro forma basis, for the three months ended March 31, 1998, the Company's annualized revenues were approximately $126.7 million, annualized System Cash Flow (as defined) was approximately $54.6 million and annualized EBITDA (as defined) was approximately $48.8 million.

The Systems, taken as a whole, serve communities with favorable demographic characteristics. During the five year period ended December 31, 1997, basic subscribers served by the Systems have grown at a compound annual rate of approximately 4.2%, compared to the cable television industry's estimated growth rate of 3.4% over the same period. Furthermore, the Systems have experienced a strong demand for premium service units, as reflected by the premium penetration of approximately 117.7% as of March 31, 1998 compared to the estimated year-end 1997 industry average of 77.0%. Because the Systems serve geographically and economically diverse communities in smaller markets across fourteen states, the Company believes that it is more resistant to any individual regional economic downturn and is less susceptible to any local competitive threat, providing the Company with more stable revenues and System Cash Flow.

Mr. Commisso has assembled a management team with significant business experience in acquiring, operating and financing cable television operations. The eleven most senior executives and managers of the Company have an average of over 18 years of experience with the cable television industry. Prior to founding Mediacom, Mr. Commisso served as the Executive Vice President, Chief Financial Officer and Director of Cablevision Industries Corporation ("CVI") from August 1986 to March 1995. At the time of Mr. Commisso's arrival, CVI was a regional cable company serving fewer than 300,000 basic subscribers in four states. During his tenure, CVI completed 40 acquisitions of cable television systems with an aggregate value exceeding $1.2 billion. Mr. Commisso was directly responsible for all aspects of CVI's financing activities, including the completion of over 35 separate financing transactions with aggregate capital commitments exceeding $5.0 billion. At the time of its sale to Time Warner, Inc. in January 1996, CVI had become the eighth largest MSO in the United States, serving 1.3 million basic subscribers in 18 states, primarily in non-metropolitan markets.

BUSINESS STRATEGY

The Company's business strategy is to: (i) acquire underperforming and undervalued cable television systems primarily in non-metropolitan markets, as well as related telecommunications businesses; (ii) implement operating plans and system improvements designed to enhance the long-term operational and financial performance of the Company; and (iii) deploy a flexible financing strategy to complement the Company's growth objectives and operating plans. The key elements of the Company's business strategy are:

Selectively Pursue Strategic Acquisitions. The Company actively seeks to acquire undervalued and underperforming cable television systems, principally in non-metropolitan markets, that it believes can benefit from its operating strategy. The Company generally targets systems in close proximity to its existing operations since it is more cost effective to provide cable television and advanced telecommunications services over an expanded subscriber base within a concentrated geographic area. The Company believes that it may be able to purchase "fill-in" acquisitions at favorable prices in geographic areas where it is the dominant provider of cable television services. The Company may also expand its base of operations into other markets or pursue related telecommunications businesses if such acquisitions are consistent with its overall business strategy. The Company generally considers the following factors in analyzing potential acquisitions: (i) the demographics of the market, including income levels, housing densities and prospects for subscriber growth; (ii) the potential for clustering or regionalization; (iii) the competitive environment; (iv) the quality of the system's technical infrastructure, including the cost of upgrading; (v) the system's operating expense structure; (vi) existing subscriber rates; (vii) the cost to deploy new services such as pay-per-view, Internet access and high-speed data transmission; (viii) the potential for developing local advertising business; and (ix) franchise expiration, terms and conditions. The Company believes that acquisition opportunities continue to exist in non-metropolitan markets. Currently, the Company does not have any definitive agreements to acquire any cable television systems.

Target Non-Metropolitan Markets. The Company believes that there are operating, regulatory, competitive and economic advantages in acquiring and operating cable television systems in non-metropolitan markets. Typically, in smaller communities, cable television service is necessary in order to receive a full complement of off-air broadcast stations, and there are fewer competitive entertainment alternatives available to the customer. Consequently, non-metropolitan cable television systems are generally characterized by higher basic penetration rates, lower subscriber turnover and lower operating costs, thus providing for more predictable revenue streams and higher cash flow margins than cable television systems serving urban and suburban markets. The Systems, taken as a whole, serve communities that generally have experienced higher than average growth rates in population and households. The Company believes that such favorable demographic profiles of the markets in which it operates will enable the Company to increase its basic subscriber base. The Company believes that it will continue to benefit from favorable rate regulation under the "small system rules" adopted by the Federal Communications Commission ("FCC") in 1995, and that operating in smaller markets generally poses fewer regulatory burdens. See "Legislation and Regulation." The Company also believes that non-metropolitan markets have less appeal to other local hardwire and wireless video service providers due to the lower housing densities which result in higher capital expenditures per household to construct competing video delivery systems. Lastly, as a result of the recent trend by larger MSOs in the cable television industry toward redirecting their resources to urban and suburban markets, evidenced by their ongoing divestiture of smaller market cable television systems, the Company believes that there will be continuing opportunities to acquire its targeted cable television systems at favorable prices.

Promote and Expand Service Offerings. To date, the Company generally has sought to acquire cable television systems that have underserved their customers. As a result, the Company believes that significant opportunities exist to increase the revenues of the Systems by promoting and expanding the programming services available to its customers. The Systems generate lower average monthly revenues per basic subscriber compared to the cable television industry in general. On a pro forma basis, for the three months ended March 31, 1998, the average monthly revenue per basic subscriber for the Systems was approximately $30.72, compared to the estimated year-end 1997 cable television industry average of $38.49, providing the Company with pricing flexibility as it introduces new programming services. The weighted average channel capacity for the Systems is 51 channels, of which five channels on average are unused and available for additional programming. The Company intends to introduce new programming services aggressively by activating current unused channel capacity in the near term, and by increasing channel availability through planned system improvements in the longer term. In an effort to increase revenues from pay-per-view movies and events, and to increase the penetration of premium programming services (such as Home Box Office ("HBO") and Showtime), the Company plans to deploy additional addressable converters in the customers' homes. Currently, approximately 63.0% of the Company's basic subscribers are served by systems that offer addressable technology, and approximately 23.0% of the Company's basic subscribers have addressable converters installed in their homes. The Company plans to market its services aggressively utilizing a full range of marketing techniques including direct door-to-door sales, telemarketing, direct mail, print and broadcast advertising, billing inserts and cross-channel promotion.

In addition, the Company believes that there are significant opportunities to increase local advertising revenues, particularly in the Company's larger cable television systems. On a pro forma basis, for the three months ended March 31, 1998, the Systems generated local advertising revenues of only $0.21 per basic subscriber per month.

Invest in System Improvements. As part of its commitment to customer service, the Company endeavors to maintain high technical performance standards in all of its cable television systems. To accomplish this, the Company has embarked on a capital investment program to upgrade the Systems selectively. This program, which involves the use of fiber optic technology, will expand channel capacities, enhance signal quality, improve technical reliability, augment addressability and provide a platform to develop high-speed data services and Internet access. The Company believes that such technical upgrades create additional revenue opportunities, enhance operating efficiencies, increase customer satisfaction, improve franchising relations and solidify the Company's position as the dominant provider of video services in the markets in which it operates. Over the next five years, the Company intends to spend approximately: (i) $70.0 million to establish a technical standard of 550MHz bandwidth capacity (78 analog channels) in cable television systems serving over 80.0% of its basic subscribers; (ii) $64.0 million for ongoing maintenance and replacement and for installations and extensions to the cable plant related to customer growth; and (iii) $6.0 million for the purchase of additional addressable converters. The Company is currently evaluating the economic viability of upgrading its larger systems to 750MHz bandwidth capacity (112 analog channels), which would require additional capital investment. During 1997 and the first quarter of 1998, the Company completed upgrade projects affecting approximately 31,300 basic subscribers served by the 1997 Systems as of March 31, 1998, and as a result, over 74.0% of the 1997 Systems' basic subscribers are currently served by cable television systems with at least 62 channel capacity. As part of this upgrade program, the Company in the fourth quarter of 1997 began the 550MHz upgrade of its largest cable television system which is located in lower Delaware, serving approximately 28,720 basic subscribers as of March 31, 1998, and expects completion of this project by mid-1999. In addition, the Company has already begun 550MHz upgrade projects in the 1998 Systems affecting over 100,000 basic subscribers, with expected completion by year-end 1999. The Company is continually evaluating new technical developments and the economic feasibility of introducing new services and programming delivery capabilities, such as video-on-demand, digital compression and other interactive and high-speed data applications.

Realize Operating Efficiencies. After consummating an acquisition, the Company implements managerial, operational, purchasing and technical changes designed to improve operating efficiencies. By regionalizing certain managerial, sales and administrative functions and imposing additional cost controls at its 1997 Systems, the Company reduced operating costs, while increasing the emphasis on customer service. With respect to the 1998 Systems, the Company is currently evaluating the consolidation of certain regional, administrative and customer service operations, which should improve System Cash Flow margins. On a pro forma basis, for the three months ended March 31, 1998, the System Cash Flow margin (System Cash Flow divided by revenues) for the 1997 Systems was 53.0%, compared to 40.6% for the 1998 Systems. In addition, the Company plans to consolidate headend facilities, thereby reducing technical operating costs and capital expenditures associated with the introduction of new video services, while also facilitating the Company's ability to pursue local advertising, Internet access, and high-speed data applications. The Company plans to eliminate at least 24 of the 157 headend facilities in the Systems.

Deliver Advanced Telecommunications Services. The Company believes that additional revenue opportunities exist in non-metropolitan markets by providing advanced telecommunication services, such as Internet access and the delivery of high-speed data services, including local area network applications for residential and commercial customers. The Company believes these smaller markets have limited appeal to the larger telecommunications companies and that its technical platform will provide such services at higher speeds and lower cost, giving the Company a competitive advantage over other telecommunication providers in the markets in which it operates. In Ridgecrest, California, where its cable television system passed approximately 17,700 homes and served approximately 9,900 basic subscribers as of March 31, 1998, the Company provides Internet access to over 3,500 customers through both the telephone modem and the cable modem. The cable modem provides Internet access at download speeds of up to 100 times faster than telephone modem connections. The Company plans to introduce Internet access via the cable modem in its larger systems and will seek to complement this service with the telephone modem connection through acquisitions and initial start-ups of local Internet access businesses.

Focus on Customer Satisfaction. The Company believes that providing superior customer service is a key element for its long-term success. The Company seeks to achieve a high level of customer satisfaction by employing a well-trained staff of customer service representatives and experienced field technicians. Over 75% of the Company's basic subscribers are provided toll-free access to the Company's regional calling centers on a 24-hour, 7-day per week basis. The Company believes customer service is also enhanced by the regional calling centers' ability to coordinate effectively technical service and installation appointments and to speed response to customer inquiries. The Company also believes that the regional calling center structure increases the effectiveness of its marketing campaigns. The Company is presently evaluating the possibility of extending the same 24-hour service to its other customers. Additionally, as part of its plans to introduce new programming services, the Company regularly evaluates the programming packages and pricing options available, and surveys its customers for their preferences for new programming services.

Deploy Flexible Financing Strategy. The Company has deployed a financing strategy which utilizes a prudent blend of equity and debt capital to complement the Company's acquisition and operating activities. Through its holding company structure, the Company has raised equity from its members and intends to issue public long-term debt (including the Notes) at the holding company level, while utilizing the Subsidiaries to access debt capital in the bank and private placement markets through multiple stand-alone borrowing groups. The Company believes that this financing strategy is beneficial because it broadens the Company's access to various debt markets, enhances its flexibility in managing the Company's capital structure, reduces the overall cost of debt capital and permits the Company to maintain a substantial liquidity position in the form of unused and available bank credit commitments. To date, the Company has raised $135.5 million of equity capital, of which $125.0 million has been invested in Mediacom. In addition, the Company has established two subsidiary borrowing groups which have obtained in the aggregate $325.0 million of committed bank credit facilities. Such credit facilities are non-recourse to Mediacom, have no cross-default provisions relating directly to each other and permit the relevant Subsidiaries, subject to covenant and other restrictions, to make distributions to Mediacom. As of March 31, 1998, on a pro forma basis after giving effect to the Series A Notes Offering and the use of the net proceeds therefrom, the Company would have had approximately $207.0 million of unused credit commitments, of which approximately $184.0 million could have been borrowed and distributed to Mediacom under the most restrictive covenants in the Subsidiaries' credit agreements. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Liquidity and Capital Resources" and "Description of Other Indebtedness."

OPERATING REGIONS

To manage and operate the Systems, the Company has established four operating regions: Southeast, Mid-Atlantic, Central and Western. Each region is subdivided into groups of cable television systems ("Regional Clusters") which are organized and operated geographically. The following table is a summary of selected subscriber and operating data for the Systems as of March 31, 1998:

			BASIC SERVICE		PREMIUM SERVICE		
OPERATING REGION	REGIONAL CLUSTERS	HOMES PASSED	BASIC SUBSCRIBERS	BASIC PENETRATION	PREMIUM SERVICE UNITS	PREMIUM PENETRATION	AVERAGE MONTHLY REVENUES PER BASIC SUBSCRIBER(1)
Southeast	4	178,580	130,750	73.2%	199,990	153.0%	$31.21
Mid-Atlantic	3	106,170	82,390	77.6	82,620	100.3	28.43
Central	4	116,210	77,430	66.6	100,500	129.8	29.77
Western	4	81,840	53,130	64.9	21,290	40.1	34.47
Total	15	482,800	343,700	71.2%	404,400	117.7%	$30.72

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(1) Represents average monthly revenues for the three months ended March 31, 1998, divided by the number of basic subscribers as of the end of such period.

RECENT DEVELOPMENTS

Acquisitions and Related Financings. On January 9, 1998, Mediacom California completed the acquisition of the Jones System, serving approximately 17,200 basic subscribers on such date, for a purchase price of $21.4 million (before closing costs and adjustments). The acquisition of the Jones System and related closing costs and adjustments was financed with cash on hand and borrowings under a $100.0 million senior credit facility (the "Western Credit Facility") which was entered into by Mediacom California, Mediacom Arizona and Mediacom Delaware (collectively, the "Western Group") in June 1997.

On January 23, 1998, Mediacom Southeast completed the acquisition of the Cablevision Systems, serving approximately 260,100 basic subscribers on such date, for an aggregate purchase price of approximately $308.7 million (before closing costs and adjustments). The acquisition of the Cablevision Systems and related closing costs and adjustments was financed with: (i) $211.0 million of borrowings under a new $225.0 million senior credit facility (the "Southeast Credit Facility" and, together with the Western Credit Facility, the "Subsidiary Credit Facilities") made available to Mediacom Southeast; (ii) the proceeds of $20.0 million aggregate principal amount of term notes (the "Holding Company Notes") issued by Mediacom; and (iii) $94.0 million of equity capital contributed to Mediacom by its members.

On April 1, 1998, the Company completed the Series A Notes Offering. The Company used the net proceeds of the Series A Notes Offering (approximately $193.5 million) to repay in full the Holding Company Notes and to make contributions to Mediacom Southeast and the Western Group for purposes of repaying certain indebtedness under the Subsidiary Credit Facilities. See "--The Series A Notes Offering" and "Use of Proceeds."

Service Rate Increases. In January and February 1998, the Company gave notice of basic service rate increases to approximately 237,000 basic subscribers, effective in March 1998. For the month of March 1998, partly as a result of these basic service rate increases, the Company's annualized revenues were approximately $131.5 million. The Company also gave notice of basic service rate increases to approximately 22,000 basic subscribers, effective in April 1998. In most cases, such rate increases were implemented in connection with the introduction of new programming services, resulting from the activation of unused channels in the 1998 Systems. There can be no assurance that because of these basic service rate increases or otherwise, the Company's basic subscribers affected by such rate increases will not reduce their level of service or cancel their cable television service altogether. The Company's actual results for future periods may be materially different as a result.

ORGANIZATIONAL STRUCTURE AND MANAGEMENT

Mediacom was organized as a New York limited liability company to serve as the holding company for its various Subsidiaries, each of which is a Delaware limited liability company. The Subsidiaries are wholly-owned by Mediacom, except for a 1.0% ownership interest in Mediacom California held by Mediacom Management Corporation ("Mediacom Management"). Mediacom Capital, a New York corporation wholly-owned by Mediacom, was formed specifically to effect the Series A Notes Offering and does not conduct operations of its own. The Series A Notes are, and the Series B Notes will be, joint and several obligations of Mediacom and Mediacom Capital, although Mediacom received all the net proceeds of the Series A Notes Offering.

Pursuant to separate management agreements with the Subsidiaries, Mediacom Management, a Delaware corporation wholly-owned by Mr. Commisso, is paid management fees for managing the day-to-day operations of the Subsidiaries. In accordance with the Operating Agreement (as defined) of Mediacom, Mr. Commisso is the sole manager (the "Manager") of Mediacom and has overall management and effective control of the business and affairs of the Company. See "Certain Relationships and Related Transactions" and "Description of the Operating Agreement."

The Company's principal corporate offices are located at 100 Crystal Run Road, Middletown, New York 10941, and its telephone number is (914) 695-2600.

THE SERIES A NOTES OFFERING

Series A Notes	The Series A Notes were sold by the Issuers on April 1, 1998 to Chase Securities Inc. (the "Initial Purchaser") pursuant to a Purchase Agreement dated March 27, 1998 (the "Purchase Agreement"). The Initial Purchaser subsequently resold the Series A Notes (i) within the United States only to qualified institutional buyers in reliance upon Rule 144A under the Securities Act and (ii) outside the United States in accordance with Regulation S under the Securities Act.
Exchange and Registration Rights Agreement	Pursuant to the Purchase Agreement, the Issuers and the Initial Purchaser entered into an Exchange and Registration Rights Agreement dated April 1, 1998 (the "Exchange and Registration Rights Agreement"), which grants the holders of the Series A Notes certain exchange and registration rights. The Exchange Offer is intended to satisfy such exchange rights which terminate upon the consummation of the Exchange Offer.

THE EXCHANGE OFFER

Issuers	Mediacom LLC and Mediacom Capital Corporation.
Securities Offered	$200,000,000 aggregate principal amount of Series B 8 1/2% Senior Notes due 2008.
The Exchange Offer	$1,000 principal amount of the Series B Notes in exchange for each $1,000 principal amount of Series A Notes. As of the date hereof, $200,000,000 aggregate principal amount of Series A Notes are outstanding. The Issuers will issue the Series B Notes to holders on or promptly after the Expiration Date. Based on no-action letters issued by the staff of the Commission to third parties, the Issuers believe the Series B Notes issued pursuant to the Exchange Offer may be offered for resale, resold and otherwise transferred by any holder thereof (other than any such holder that is an "affiliate" of the Issuers within the meaning of Rule 405 under the Securities Act) without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that such Series B Notes are acquired in the ordinary course of such holder's business and that such holder does not intend to participate and has no arrangement or understanding with any person to participate in the distribution of such Series B Notes. Each Participating Broker-Dealer that receives Series B Notes for its own account pursuant to the Exchange Offer must acknowledge that it will deliver a prospectus in connection

with any resale of such Series B Notes. The Letter of Transmittal states that by so acknowledging and by delivering a prospectus, a Participating Broker-Dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. This Prospectus, as it may be amended or supplemented from time to time, may be used in connection with resales of Series B Notes received in exchange for Series A Notes only by Participating Broker-Dealers ("Eligible Participating Broker-Dealers") who acquired such Series A Notes as a result of market-making activities or other trading activities and not by Participating Broker-Dealers who acquired such Series A Notes directly from the Issuers. The Issuers have agreed that, for a period of 90 days after the Expiration Date, they will make this Prospectus available to any Eligible Participating Broker-Dealer for use in connection with any such resale. See "Plan of Distribution."

Any holder who tenders in the Exchange Offer with the intention to participate, or for the purpose of participating, in a distribution of the Series B Notes could not rely on the position of the staff of the Commission communicated in no-action letters and, in the absence of an exception therefrom, must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction. Failure to comply with such requirements in such instance may result in such holder incurring liability under the Securities Act for which the holder is not indemnified by the Company.

Expiration Date............. 5:00 p.m., New York City time, on , 1998, unless the Exchange Offer is extended, in which case the term "Expiration Date" means the latest date and time to which the Exchange Offer is extended.

Accrued Interest on the Series B Notes and the Series A Notes.............. Each Series B Note will bear interest from its issuance date. Holders of Series A Notes that are accepted for exchange will receive, in cash, accrued interest thereon to, but not including, the issuance date of the Series B Notes. Such interest will be paid with the first interest payment on the Series B Notes. Interest on the Series A Notes accepted for exchange will cease to accrue upon issuance of the Series B Notes.

Conditions to the Exchange Offer....................... The Exchange Offer is subject to certain customary conditions, which may be waived by the Issuers. See "The Exchange Offer--Conditions."

Procedures for Tendering Series A Notes.............. Each holder of Series A Notes wishing to accept the Exchange Offer must complete, sign and date the accompanying Letter of Transmittal, or a facsimile thereof, in accordance with the instructions contained herein and therein,

	and mail or otherwise deliver such Letter of Transmittal, or such facsimile, together with the Series A Notes and any other required documentation to the Exchange Agent (as defined) at the address set forth therein. By executing the Letter of Transmittal, each holder will represent to the Issuers that, among other things, the Series B Notes acquired pursuant to the Exchange Offer are being obtained in the ordinary course of business of the person receiving such Series B Notes, whether or not such person is the holder, that neither the holder nor any such other person has any arrangement or understanding with any person to participate in the distribution of such Series B Notes and that neither the holder nor any such other person is an "affiliate," as defined under Rule 405 of the Securities Act, of the Issuers. See "The Exchange Offer--Purpose and Effect of the Exchange Offer" and "--Procedures for Tendering."
Untendered Series A Notes...	Following the consummation of the Exchange Offer, holders of Series A Notes eligible to participate but who do not tender their Series A Notes will not have any further exchange rights and such Series A Notes will continue to be subject to certain restrictions on transfer. Accordingly, the liquidity of the market for such Series A Notes could be adversely affected.
Consequences of Failure to Exchange....................	The Series A Notes that are not exchanged pursuant to the Exchange Offer will remain restricted securities. Accordingly, such Series A Notes may be resold only: (i) to the Issuers; (ii) pursuant to Rule 144A or Rule 144 under the Securities Act or pursuant to another exemption under the Securities Act; (iii) outside the United States to a foreign person pursuant to the requirements of Rule 904 under the Securities Act; (iv) to certain institutional "accredited investors" within the meaning of Rule 501(a) under the Securities Act subject to a minimum principal amount of $250,000; or (v) pursuant to an effective registration statement under the Securities Act. See "The Exchange Offer--Consequences of Failure to Exchange."
Shelf Registration Statement...................	If: (i) because of any change in law or applicable interpretations thereof by the Commission's staff the Issuers are not permitted to effect the Exchange Offer as contemplated hereby; (ii) any Series A Notes validly tendered pursuant to the Exchange Offer are not exchanged for Series B Notes within 180 days after April 1, 1998; (iii) the Initial Purchaser so requests with respect to certain Notes; (iv) any applicable law or interpretations do not permit any holder to participate in the Exchange Offer; (v) any holder that participates in the Exchange Offer does not receive freely transferable Series B Notes in exchange for tendered Series A Notes; or (vi) the Issuers so elect, then the Issuers have agreed to use their reasonable best efforts to file as promptly

as practicable (but in no event more than 30 days after so required or requested pursuant to Section 2 of the Exchange and Registration Rights Agreement) with the Commission a shelf registration statement (the "Shelf Registration Statement") and use their reasonable best efforts to cause it to be declared effective. The Issuers have agreed to use their reasonable best efforts to maintain the effectiveness of the Shelf Registration Statement for, under certain circumstances, a maximum of two years, to cover resales of the Series A Notes held by any such holders.

Special Procedures for Beneficial Owners...........	Any beneficial owner whose Series A Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and who wishes to tender should contact such registered holder promptly and instruct such registered holder to tender on such beneficial owner's behalf. If such beneficial owner wishes to tender on such owner's own behalf, such owner must, prior to completing and executing the Letter of Transmittal and delivering its Series A Notes, either make appropriate arrangements to register ownership of the Series A Notes in such owner's name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take considerable time. The Company will keep the Exchange Offer open for not less than thirty days in order to provide for the transfer of registered ownership.
Guaranteed Delivery Procedure...................	Holders of Series A Notes who wish to tender their Series A Notes and whose Series A Notes are not immediately available or who cannot deliver their Series A Notes, the Letter of Transmittal or any other documents required by the Letter of Transmittal to the Exchange Agent (or comply with the procedures for book-entry transfer) prior to the Expiration Date must tender their Series A Notes according to the guaranteed delivery procedures set forth in "The Exchange Offer--Guaranteed Delivery Procedures."
Withdrawal Rights...........	Tenders may be withdrawn at any time prior to 5:00 p.m., New York City time, on the Expiration Date.
Acceptance of Series A Notes and Delivery of Series B Notes.............	The Issuers will accept for exchange any and all Series A Notes which are properly tendered in the Exchange Offer prior to 5:00 p.m., New York City time, on the Expiration Date. The Series B Notes issued pursuant to the Exchange Offer will be delivered on or promptly after the Expiration Date. See "The Exchange Offer--Terms of the Exchange Offer."
Use of Proceeds............	There will be no cash proceeds to the Company from the exchange pursuant to the Exchange Offer.
Exchange Agent.............	Bank of Montreal Trust Company (the "Exchange Agent").

THE SERIES B NOTES

General	The form and terms of the Series B Notes are the same as the form and terms of the Series A Notes except that (i) the Series B Notes will bear a "Series B" designation, (ii) the Series B Notes will have been registered under the Securities Act and, therefore, will not bear legends restricting their transfer, and (iii) the holders of Series B Notes will not be entitled to certain rights of holders of Series A Notes under the Exchange and Registration Rights Agreement, including the provisions providing for an increase in the interest rate on the Series A Notes in certain circumstances relating to the timing of the Exchange Offer, which rights will terminate when the Exchange Offer is consummated. See "The Exchange Offer--Purpose and Effect of the Exchange Offer." The Series B Notes will evidence the same debt as the Series A Notes (which they replace) and will be entitled to the benefits of the Indenture. See "Description of the Notes."
Securities Offered	$200,000,000 aggregate principal amount of Series B 8 1/2% Senior Subordinated Notes due 2008.
Maturity	April 15, 2008.
Interest Rate and Payment Dates	The Series B Notes will bear interest at a rate of 8 1/2% per annum. Interest on the Series B Notes will be payable semi-annually on each April 15 and October 15.
Sinking Fund	None.
Mandatory Redemption	None.
Optional Redemption	Except as described below, the Issuers may not redeem the Series B Notes prior to April 15, 2003. On and after such date, the Issuers may redeem the Series B Notes, in whole or in part, at the redemption prices set forth herein, together with accrued and unpaid interest, if any, to the date of redemption. In addition, at any time on or prior to April 15, 2001, the Issuers may redeem up to 35% of the original principal amount of the Notes with the Net Cash Proceeds of one or more Equity Offerings of Mediacom, at a redemption price in cash equal to 108.5% of the principal amount to be redeemed plus accrued and unpaid interest, if any, to the date of redemption; provided that at least 65% of the original aggregate principal amount of Notes remains outstanding immediately after each such redemption. See "Description of the Notes--Optional Redemption."
Change of Control	Upon the occurrence of a Change of Control, each holder of the Series B Notes will have the right to require the Issuers to repurchase all or any part of such holder's Series B Notes at

a price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to the date of repurchase. See "Description of the Notes--Optional Redemption" and "--Repurchase at the Option of Holders--Change of Control." There can be no assurance that sufficient funds will be available if necessary to make any required repurchases. See "Risk Factors--Ability to Purchase Notes Upon a Change of Control."

Ranking.....................	The Series B Notes will be unsecured, senior obligations of the Issuers ranking pari passu in right of payment with all other existing and future unsecured Indebtedness of the Issuers, other than any Subordinated Obligations. The Series B Notes will be effectively subordinated in right of payment to any secured Indebtedness of the Issuers. Since Mediacom is a holding company and conducts its business through its Subsidiaries, the Series B Notes will be effectively subordinated to all existing and future Indebtedness and other liabilities (including trade payables) of the Subsidiaries. As of March 31, 1998, on a pro forma basis, after giving effect to the Series A Notes Offering and the use of the net proceeds therefrom, the Company would have had approximately $321.3 million of Indebtedness outstanding (including approximately $121.3 million of Indebtedness of the Subsidiaries), with the Subsidiaries having the ability to borrow up to an additional $207.0 million in the aggregate under the Subsidiary Credit Facilities (as defined). See "Capitalization" and "Description of the Notes--Ranking."
Certain Covenants...........	The Indenture will limit, among other things: (i) the incurrence of additional Indebtedness by Mediacom and its Restricted Subsidiaries (as defined); (ii) the payment of dividends on, and redemption of, Equity Interests (as defined) of Mediacom and its Restricted Subsidiaries; (iii) certain other restricted payments, including certain investments; (iv) sales of assets and Equity Interests of the Restricted Subsidiaries; (v) certain transactions with affiliates; (vi) the creation of liens; and (vii) consolidations, mergers and transfers of all or substantially all of the Issuers' assets. The Indenture also will prohibit certain restrictions on distributions from Restricted Subsidiaries. However, all of those limitations and prohibitions will be subject to a number of important qualifications and exceptions. See "Description of the Notes--Covenants."

For more information regarding the Series B Notes, including definitions of certain capitalized terms used above, see "Description of the Notes." For a discussion of the risk factors that should be considered by holders who tender their Series A Notes in the Exchange Offer, see "Risk Factors."

SUMMARY HISTORICAL AND PRO FORMA CONSOLIDATED FINANCIAL AND OPERATING DATA

The following table presents: (i) summary historical financial data as of and for the years ended December 31, 1993, 1994 and 1995 derived from audited financial statements of Benchmark Acquisition Fund II Limited Partnership (the "Predecessor Company"); (ii) summary historical consolidated financial and operating data as of and for the period from the commencement of operations (March 12, 1996) to December 31, 1996 and for the year ended December 31, 1997 derived from the Company's audited consolidated financial statements and should be read in conjunction with those statements, which are included in this Prospectus; and (iii) unaudited summary historical consolidated financial data for the three months ended March 31, 1997 and unaudited summary historical consolidated financial data as of and for the three months ended March 31, 1998, all of which have been derived from the unaudited consolidated financial statements of the Company, and summary historical consolidated operating data for the three months ended March 31, 1997. In the opinion of management, such unaudited interim financial statements have been prepared on the same basis as the audited financial statements and include all adjustments, which consist only of normal recurring adjustments, necessary to present fairly the financial position and the results of operations for the interim periods. Financial and operating results for the three months ended March 31, 1998 are not necessarily indicative of the results that may be expected for the full year.

In addition, the following table presents unaudited summary pro forma consolidated financial and operating data for the Company for the year ended December 31, 1997 and as of and for the three months ended March 31, 1998, as adjusted to give pro forma effect to: (i) in the case of statement of operations and other financial and operating data, the Series A Notes Offering and the use of the net proceeds therefrom and the acquisitions of the Systems as if such transactions had been consummated on January 1, 1997; and (ii) in the case of balance sheet data, the Series A Notes Offering and the use of the net proceeds therefrom as if such transactions had been consummated on March 31, 1998. The unaudited pro forma consolidated financial and operating data give effect to the acquisitions of the Systems under the purchase method of accounting, certain other operating assumptions and the impact of the Series A Notes Offering.

The unaudited summary pro forma consolidated financial data have been prepared by the Company based upon the historical financial statements and do not purport to represent what the Company's results of operations or financial condition would have actually been or what operations of the Company in any future period would be if the transactions that give rise to the pro forma adjustments had occurred on the dates assumed. The following information is qualified by reference to and should be read in conjunction with "Unaudited Pro Forma Consolidated Financial Data," "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the financial statements and related notes thereto included elsewhere in this Prospectus.

SUMMARY HISTORICAL AND PRO FORMA CONSOLIDATED FINANCIAL AND OPERATING DATA

	PREDECESSOR COMPANY(1)			THE COMPANY(2)				PRO FORMA	
	YEAR ENDED DEC. 31, 1993	YEAR ENDED DEC. 31, 1994	YEAR ENDED DEC. 31, 1995	MARCH 12 THROUGH DEC. 31, 1996	YEAR ENDED DEC. 31, 1997	THREE MONTHS ENDED MARCH 31, 1997	THREE MONTHS ENDED MARCH 31, 1998	YEAR ENDED DEC. 31, 1997	THREE MONTHS ENDED MARCH 31, 1998
	(DOLLARS IN THOUSANDS, EXCEPT PER SUBSCRIBER DATA)								
STATEMENT OF OPERATIONS DATA:									
STATEMENT OF OPERATIONS DATA:									
Revenues.................	$ 5,279	$ 5,075	$ 5,171	$ 5,411	$ 17,634	$ 2,894	$ 25,943	$119,091	$ 31,679
Service costs............	1,254	1,322	1,536	1,511	5,547	890	9,822	44,286	12,033
Selling, general and administrative expenses..	1,072	1,016	1,059	931	2,696	434	5,303	23,191	5,988
Management fee expense...	263	252	261	270	882	145	1,207	5,389	1,465
Depreciation and amortization.............	4,337	4,092	3,945	2,157	7,636	1,607	11,229	57,506	13,720
Operating income (loss)..	(1,647)	(1,607)	(1,630)	542	873	(182)	(1,618)	(11,281)	(1,527)
Interest expense, net(3)...................	903	878	935	1,528	4,829	889	5,017	26,154	6,557
Other expenses...........	26	--	--	967	640	3	3,340	3,940	3,340
Net loss.................	$(2,576)	$(2,485)	$(2,565)	$(1,953)	$ (4,596)	$(1,074)	$(9,975)	$(41,375)	$(11,424)
OTHER DATA:									
System Cash Flow(4)......	$ 2,953	$ 2,737	$ 2,576	$ 2,969	$ 9,391	$ 1,570	$ 10,818	$ 51,614	$ 13,658
System Cash Flow margin(5)................	55.9%	53.9%	49.8%	54.9%	53.3%	54.3%	41.7%	43.3%	43.1%
Annualized System Cash Flow(6)..................									$ 54,632
EBITDA(7)................	$ 2,690	$ 2,485	$ 2,315	$ 2,699	$ 8,509	$ 1,425	$ 9,611	$ 46,225	$ 12,193
EBITDA margin(8).........	51.0%	49.0%	44.8%	49.9%	48.3%	49.2%	37.0%	38.8%	38.5%
Annualized EBITDA(9).....									$ 48,772
Ratio of total Indebtedness to annualized EBITDA........									6.6x
Ratio of EBITDA to interest expense, net....									1.9x
OPERATING DATA (end of period, except average):									
Homes passed.............				38,749	87,750	38,749		479,655	482,800
Basic subscribers........				27,153	64,350	26,561		341,725	343,700
Basic penetration........				70.1%	73.3%	68.5%		71.2%	71.2%
Premium service units....				11,691	39,288	13,126		403,281	404,400
Premium penetration......				43.1%	61.1%	49.4%		118.0%	117.7%
Average monthly revenues per basic subscriber(10)...........									$ 30.72
Annual System Cash Flow per basic subscriber(11)...........									$ 159
Annual EBITDA per basic subscriber(12)...........									$ 142
BALANCE SHEET DATA (end of period):									
Total assets.............	$15,296	$11,755	$ 8,149	$46,560	$102,791		$444,963		$451,463
Total Indebtedness.......	14,213	13,294	12,217	40,529	72,768		314,760		321,260
Total members' equity....	481	(2,003)	(4,568)	4,537	24,441		108,466		108,466

(footnotes on following page)

NOTES TO SUMMARY HISTORICAL AND PRO FORMA CONSOLIDATED FINANCIAL AND OPERATING DATA
(DOLLARS IN THOUSANDS, EXCEPT PER SUBSCRIBER DATA)

(1) The summary historical financial data for the years ended December 31, 1993, 1994 and 1995 have been derived from the audited financial statements of the Predecessor Company.

(2) The Company commenced operations on March 12, 1996 with the acquisition of the Ridgecrest System (as defined) and has since completed seven additional acquisitions. See "Business--Acquisition History." The historical amounts represent the results of operations of the Systems acquired from the date of acquisition to the end of the period presented.

(3) Net of interest income.

(4) Represents EBITDA (as defined below) before management fees. The Company believes that System Cash Flow is a meaningful measure of performance as it is commonly used in the cable television industry to analyze and compare cable television companies on the basis of operating performance, leverage and liquidity. In addition, the Subsidiary Credit Facilities and the Indenture contain certain covenants, compliance with which is measured by computations similar to those used in determining System Cash Flow. System Cash Flow is not intended to be a performance measure that should be regarded as an alternative either to operating income or net income as an indicator of operating performance or to cash flows as a measure of liquidity, as determined in accordance with generally accepted accounting principles.

(5) Represents System Cash Flow as a percentage of revenues.

(6) Represents System Cash Flow multiplied by four.

(7) Represents operating income (loss) before depreciation and amortization. The Company believes that EBITDA is a meaningful measure of performance as it is commonly used in the cable television industry to analyze and compare cable television companies on the basis of operating performance, leverage and liquidity. In addition, the Subsidiary Credit Facilities and the Indenture contain certain covenants, compliance with which is measured by computations similar to those used in determining EBITDA. EBITDA is not intended to be a performance measure that should be regarded as an alternative either to operating income or net income as an indicator of operating performance or to cash flows as a measure of liquidity, as determined in accordance with generally accepted accounting principles.

(8) Represents EBITDA as a percentage of revenues.

(9) Represents EBITDA multiplied by four.

(10) Represents average monthly revenues for the period divided by the number of basic subscribers as of the end of such period.

(11) Represents annualized System Cash Flow for the period divided by the number of basic subscribers at the end of such period.

(12) Represents annualized EBITDA for the period divided by the number of basic subscribers at the end of such period.

RISK FACTORS

The following risk factors, in addition to the other information contained elsewhere in this Prospectus, should be carefully considered by prospective investors in connection with an investment in the Series B Notes.

HIGHLY LEVERAGED CAPITAL STRUCTURE

The Company is, and will continue to be, highly leveraged as a result of the substantial Indebtedness it has incurred, and intends to incur, to finance acquisitions and expand its operations. As of March 31, 1998, the Company's consolidated Indebtedness was approximately $314.8 million. As of March 31, 1998, on a pro forma basis after giving effect to the Series A Notes Offering and the use of the net proceeds therefrom, the Company would have had approximately $321.3 million of consolidated Indebtedness. See "Unaudited Pro Forma Consolidated Financial Data." The Issuers do not have any Indebtedness expressly subordinated by its terms in right and priority of payment to the Series A Notes. In addition, subject to the restrictions in the Subsidiary Credit Facilities and the Indenture, the Company plans to incur additional Indebtedness from time to time, to finance acquisitions in the future, for capital expenditures or for general business purposes. The Company's highly leveraged capital structure could adversely affect the Issuers' ability to service the Series B Notes and could have important consequences to holders of the Series B Notes, including, but not limited to, the following: (i) increasing the Company's vulnerability to adverse changes in general economic conditions or increases in prevailing interest rates as compared to competing companies that are not as highly leveraged; (ii) limiting the Company's ability to obtain additional financing for working capital, capital expenditures, acquisitions and general corporate purposes; (iii) a substantial portion of the Company's cash flow from operations must be dedicated to debt service requirements, thereby reducing the funds available for operations and future business opportunities and expansion; and (iv) the Company will be exposed to increases in interest rates given that a portion of the Company's borrowings will be at variable rates of interest. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Liquidity and Capital Resources" and "Description of Other Indebtedness."

INSUFFICIENCY OF EARNINGS TO COVER FIXED CHARGES

The consolidated historical earnings of the Company were insufficient to cover its fixed charges for the three months ended March 31, 1998 and the year ended December 31, 1997 by approximately $10.0 million and $4.6 million, respectively. On a pro forma basis, after giving effect to the Series A Notes Offering and the use of the net proceeds therefrom, the combined earnings of the Company would have been insufficient to cover its fixed charges for the three months ended March 31, 1998 and the year ended December 31, 1997 by approximately $11.4 million and $41.4 million, respectively. See "Unaudited Pro Forma Consolidated Financial Data." However, for both periods, earnings are reduced by substantial non-cash charges, principally consisting of depreciation and amortization.

Since the Company's commencement of operations in March 1996, the Company's cash generated from operating activities has been sufficient to meet the Company's debt service, working capital and capital expenditure requirements and, together with cash from equity contributions and bank borrowings, also has been sufficient to finance the Company's acquisitions. The ability of the Company to meet its debt service and other obligations will depend upon the future performance of the Company which, in turn, is subject to general economic conditions and to financial, political, competitive, regulatory and other factors, many of which are beyond the Company's control. The Company's ability to meet its debt service and other obligations also may be affected by changes in prevailing interest rates, as a portion of the borrowings under the Subsidiary Credit Facilities will bear interest at floating rates, subject to certain interest rate protection agreements. The Company believes that it will continue to generate cash and obtain financing sufficient to meet such requirements in the future; however, there can be no assurance that the Company will be able to meet its debt service and other obligations. If the Company were unable to do so, it would have to refinance its Indebtedness or obtain new financing. Although in the past the Company has been able to obtain financing principally through equity contributions and bank borrowings, there can be no assurances that the Company will be able to do so in the future or that, if the Company were able to do so, the terms available will be favorable to the Company. See "Selected Historical and Pro Forma Consolidated Financial and Operating Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Description of the Notes" and "Description of Other Indebtedness."

HOLDING COMPANY STRUCTURE

Mediacom is a holding company which has no significant assets other than its investments in and advances to the Subsidiaries. Mediacom Capital, a wholly-owned subsidiary of Mediacom, was formed solely for the purpose of serving as a co-issuer of the Notes and has no operations or assets from which it will be able to repay the Series B Notes. The Issuers' ability to make interest and principal payments when due to holders of the Series B Notes will be dependent upon the receipt of sufficient funds from the Subsidiaries. Under the terms of the Subsidiary Credit Facilities, upon the occurrence of an event of default or if certain financial performance tests or other conditions are not met, the Subsidiaries are restricted from making payments to Mediacom. There can be no assurance that the Subsidiaries will be able to satisfy the financial tests and the related conditions set forth in the Subsidiary Credit Facilities to make such payments to Mediacom, or that the Subsidiaries will not be in default of their respective financial covenants or otherwise under the Subsidiary Credit Facilities which could prevent Mediacom from making any payment in respect of the Series B Notes. In addition, because the Subsidiaries will not guarantee the payment of principal of and interest on the Series B Notes, the claims of holders of the Series B Notes effectively will be subordinated to all existing and future claims of the creditors of such entities including the lenders under the Subsidiary Credit Facilities and the Subsidiaries' trade creditors. The ability of the holders of the Series B Notes to realize upon any Subsidiary's assets upon its liquidation or reorganization will be subject to the prior claims of such Subsidiary's creditors including the lenders under the respective Subsidiary Credit Facilities. As of March 31, 1998, on a pro forma basis after giving effect to the Series A Notes Offering and the use of the net proceeds therefrom, the Subsidiaries had approximately $142.9 million of total liabilities, including approximately $121.3 million of Indebtedness. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Liquidity and Capital Resources" and "Description of Other Indebtedness."

As a result of the restrictions referred to in the preceding paragraph, there can be no assurance that the Issuers will be able to gain access to the cash flow or assets of their Subsidiaries in a timely manner or in amounts sufficient to pay interest on or principal of the Series B Notes or of Mediacom's other Indebtedness when due, if any. The Company's ability to meet debt service and repay its obligations (including the obligations under the Series B Notes) will depend on the future operating performance and financial results of the Subsidiaries, which will be subject, in part, to factors beyond the control of the Subsidiaries, including prevailing economic conditions and financial, business and other factors. See "Description of the Notes--Ranking." The Indenture will permit the Subsidiaries to incur additional Indebtedness under certain circumstances. See "Description of the Notes" and "Description of Other Indebtedness."

All of Mediacom's membership interests in the Subsidiaries are pledged by Mediacom as collateral under the respective Subsidiary Credit Facilities. Therefore, if Mediacom were unable to pay the principal or interest on the Series B Notes when due (whether at maturity, upon acceleration or otherwise), the ability of the holders of the Series B Notes to proceed against the membership interests of the Subsidiaries to satisfy such amounts would be subject to the ability of such holders to obtain a judgment against Mediacom and the prior satisfaction in full of all amounts owing under the Subsidiary Credit Facilities. As secured creditors, the lenders under the Subsidiary Credit Facilities would control the disposition and sale of the membership interests of the Subsidiaries after an event of default under the Subsidiary Credit Facilities, and would not be legally required to take into account the interests of unsecured creditors of Mediacom, such as the holders of the Series B Notes, with respect to any such disposition or sale. There can be no assurance that the assets of Mediacom, after the satisfaction of claims of its secured creditors, would be sufficient to satisfy any amounts owing with respect to the Series B Notes.

RESTRICTIONS IMPOSED BY TERMS OF THE COMPANY'S INDEBTEDNESS

Each of the Subsidiary Credit Facilities and the Indenture impose restrictions that, among other things, limit the amount of additional Indebtedness that may be incurred by the Company and impose limitations on, among other things, investments, loans and other payments, certain transactions with affiliates and certain mergers and acquisitions. See "Description of the Notes--Covenants" and "Description of Other Indebtedness." The Subsidiary Credit Facilities also require the Subsidiaries to maintain specified financial ratios and meet certain financial tests. The ability of the Subsidiaries to comply with such covenants and restrictions can be affected by events beyond their control, and there can be no assurance that the Company will achieve operating results that would permit compliance with such provisions. The breach of certain provisions of either of the Subsidiary Credit Facilities would, under certain circumstances, result in defaults thereunder, permitting the lenders thereunder to prevent distributions to Mediacom and to accelerate the Indebtedness thereunder.

KEY PERSONNEL

The Company's business is substantially dependent upon the performance of certain key individuals, including its Chairman and Chief Executive Officer, Rocco B. Commisso. The Subsidiary Credit Facilities provide that a default will result if Mr. Commisso ceases to be the Chairman and Chief Executive Officer of Mediacom Management. See "Description of Other Indebtedness--Subsidiary Credit Facilities." While Mr. Commisso has a significant ownership position in the Company, events beyond the control of the Company could result in the loss of his services and, although the Company maintains a strong management team, the loss of the services of Mr. Commisso or other such individuals could have a material adverse effect on the Company. The Company has not entered into an employment agreement, nor does it carry key man life insurance, for Mr. Commisso or any of its other key personnel.

LIMITED OPERATING HISTORY

The Company was founded in July 1995, commenced its operations in March 1996 and has grown principally through acquisitions. The Company has only recently acquired the 1998 Systems which substantially increased the size of its operations. Prospective investors, therefore, have limited historical financial information about the Company and the results that can be achieved by the Company in operating the cable television systems not previously owned by the Company. The past performance of management with other companies does not guarantee similar results for the Company. There can be no assurance that the Company will be able to implement successfully its business strategy.

SIGNIFICANT CAPITAL EXPENDITURES

Consistent with its business strategy, the Company expects to make capital expenditures to upgrade a significant portion of its cable television distribution systems over the next several years (e.g., to increase bandwidth and channel capacity and expand addressability). The Company's potential inability to fund these capital expenditures could adversely affect its ability to upgrade the cable television distribution systems which could have a material adverse effect on its operations and competitive position. See "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations--Liquidity and Capital Resources."

SIGNIFICANT COMPETITION IN THE CABLE TELEVISION INDUSTRY

Cable television systems face competition from alternative methods of receiving and distributing television signals and from other sources of news, information and entertainment, such as off-air television broadcast programming, newspapers, movie theaters, live sporting events, online computer services and home video products, including videotape cassette recorders. Because the Company's franchises are generally non-exclusive, there is the potential for competition with the Company's systems from other operators of cable television systems, including systems operated by local governmental authorities. Other distribution systems capable of delivering programming to homes or businesses, including satellite master antenna television service ("SMATV"), direct broadcast satellite ("DBS") systems and multichannel multipoint distribution service ("MMDS") systems now compete with the Company. In recent years, there has been significant national growth in the number of subscribers to DBS services and such growth is expected to continue. See "Business--Competition."

Additionally, recent changes in federal law and recent administrative and judicial decisions have removed certain of the restrictions that have limited entry into the cable television business by potential competitors such as telephone companies, registered utility holding companies and their subsidiaries. Such developments will enable local telephone companies to provide a wide variety of video services in the telephone company's own service area which will be directly competitive with services provided by cable television systems. Other new technologies, including Internet-based services, may also become competitive with services that cable television operators can offer.

Many of the Company's potential competitors have substantially greater resources than the Company, and the Company cannot predict the extent to which competition will materialize in its franchise areas from other cable television operators, other distribution systems for delivering video programming and other broadband telecommunications services to the home, or from other potential competitors, or, if such competition materializes, the extent of its effect on the Company. See "Business--Competition" and "Legislation and Regulation."

RISKS RELATING TO NEW LINES OF BUSINESS

The Company plans to upgrade selectively its cable television systems to enhance the potential for increasing revenues through the introduction of new technologies and services, such as cable Internet access and high-speed data transmission. See "Business--Business Strategy." While the Company is optimistic about the prospects for these new lines of business, there can be no assurances that it will be able to enter them successfully or to generate additional cash flow. Moreover, many of these new lines of business are likely to have significant competition from businesses that may have substantial financial resources and market presence such as local telephone companies, long distance interexchange carriers and traditional online Internet service providers.

NON-EXCLUSIVE FRANCHISES; NON-RENEWAL OR TERMINATION OF FRANCHISES

Cable television companies operate under franchises granted by local authorities which are subject to renewal and renegotiation from time to time. A franchise is generally granted for a fixed term ranging from five to fifteen years, but in many cases is terminable if the franchisee fails to comply with its material provisions. The Company's business is dependent upon the retention and renewal of its local franchises. Franchises typically impose conditions relating to the operation of cable television systems, including requirements relating to the payment of fees, bandwidth capacity, customer service requirements, franchise renewal and termination. The Cable Television Consumer Protection and

Competition Act of 1992 (the "1992 Cable Act") prohibits franchising authorities from granting exclusive cable television franchises and from unreasonably refusing to award additional competitive franchises; it also permits municipal authorities to operate cable television systems in their communities without franchises. The Cable Communication Policy Act of 1984 (the "1984 Cable Act" and collectively with the 1992 Cable Act, the "Cable Acts") provides, among other things, for an orderly franchise renewal process in which franchise renewal will not be unreasonably withheld or, if renewal is denied and the franchising authority acquires ownership of the system or effects a transfer of the system to another person, the operator generally is entitled to the "fair market value" for the system covered by such franchise. Historically, franchises have been renewed for cable operators that have provided satisfactory services and have complied with the terms of their franchises. Although the Company believes that it generally has good relationships with its franchise authorities, no assurance can be given that the Company will be able to retain or renew such franchises or that the terms of any such renewals will be on terms as favorable to the Company as the Company's existing franchises. Furthermore, it is possible that a franchise authority might grant a franchise to another cable company. The non-renewal or termination of franchises relating to a significant portion of the Company's subscribers could have a material adverse effect on the Company's results of operations. See "Business--Franchises."

REGULATION IN THE CABLE TELEVISION INDUSTRY

The cable television industry is subject to extensive regulation by federal, local and, in some instances, state governmental agencies. The Cable Acts, both of which amended the Communications Act of 1934 (as amended, the "Communications Act"), established a national policy to guide the development and regulation of cable television systems. The Communications Act was recently substantially amended by the Telecommunications Act of 1996 (the "1996 Telecom Act"). Principal responsibility for implementing the policies of the Cable Acts and the 1996 Telecom Act has been allocated between the FCC and state or local regulatory authorities. It is not possible to predict the effect that ongoing or future developments might have on the cable communications industry or on the operations of the Company. See "Legislation and Regulation."

Federal Law and Regulation

The 1992 Cable Act and the FCC's rules implementing that act generally have increased the administrative and operational expenses of cable television systems and have resulted in additional regulatory oversight by the FCC and local or state franchise authorities. The Cable Acts and the corresponding FCC regulations have established, among other things: (i) rate regulations; (ii) mandatory carriage and retransmission consent requirements that require a cable television system under certain circumstances to carry a local broadcast station or to obtain consent to carry a local or distant broadcast station; (iii) rules for franchise renewals and transfers; and (iv) other requirements covering a variety of operational areas such as equal employment opportunity, technical standards and customer service requirements.

The 1996 Telecom Act deregulates rates for cable programming services tiers ("CPST") commencing in March 1999 and, for certain small cable operators, immediately eliminates rate regulation of CPST, and, in certain limited circumstances, basic services. The FCC is currently developing permanent regulations to implement the rate deregulation provisions of the 1996 Telecom Act. The Company is currently unable to predict the ultimate effect of the 1992 Cable Act or the 1996 Telecom Act.

The FCC and Congress continue to be concerned that rates for regulated programming services are rising at a rate exceeding inflation. It is therefore possible that the FCC will further restrict the ability of cable television operators to implement rate increases and/or Congress will enact legislation which would, for example, delay or suspend the scheduled March 1999 termination of CPST rate regulation.

State and Local Regulation

Cable television systems generally operate pursuant to non-exclusive franchises, permits or licenses granted by a municipality or other state or local governmental entity. The terms and conditions of franchises vary materially from jurisdiction to jurisdiction. A number of states subject cable television systems to the jurisdiction of centralized state governmental agencies. To date, other than Delaware, no state in which the Company currently operates has enacted state level regulation. The Company cannot predict whether any of the states in which it currently operates will engage in such regulation in the future. See "Legislation and Regulation."

RISKS RELATING TO ACQUISITION STRATEGY

The Company expects that a portion of its future growth may be achieved through the acquisition of additional cable television systems. There can be no assurance that the Company in the future will be able to successfully complete acquisitions or exchanges of additional cable television systems consistent with its business strategy. Furthermore, there can be no assurance that the Company will successfully obtain financing to complete such acquisitions, if needed, or that the terms thereof will be favorable to the Company.

In carrying out its acquisition strategy, the Company attempts to minimize the risk of unexpected liabilities and contingencies associated with acquired businesses through planning, investigation and negotiation, but such liabilities and contingencies may nevertheless accompany acquisitions. There can be no assurance that the Company will be able to integrate successfully any acquired businesses into its operations or realize any efficiencies through the implementation of its operating strategies.

ABILITY TO PURCHASE NOTES UPON A CHANGE OF CONTROL

Upon the occurrence of a Change of Control, the Issuers could be required to make an offer to purchase all outstanding Series B Notes at a purchase price equal to 101% of the principal amount thereof, together with accrued and unpaid interest, if any, to the date of repurchase. If a Change of Control were to occur, there can be no assurance that the Company would have sufficient financial resources, or would be able to arrange financing or be permitted under the terms of other outstanding or future Indebtedness arrangements, to pay the purchase price for all Series B Notes tendered by holders thereof. In addition, the Subsidiary Credit Facilities include "change of control" provisions that permit the lenders thereunder to accelerate the repayment of Indebtedness thereunder. The Subsidiary Credit Facilities will not permit the Subsidiaries to make distributions to the Issuers so as to permit the Issuers to effect a purchase of the Series B Notes upon a Change of Control without the prior satisfaction of certain financial tests and other conditions. See "--Holding Company Structure" above and "Description of Other Indebtedness." Any future credit agreements or other agreements relating to other Indebtedness to which the Company becomes a party may contain similar restrictions and provisions. In the event a Change of Control occurs at a time when the Company is prohibited from repurchasing Series B Notes, the Company could seek the consent of its lenders to repurchase Series B Notes or could attempt to refinance the borrowings that contain such prohibition. If the Company does not obtain such consent or repay such borrowing, the Company would remain prohibited from repurchasing Series B Notes. In such case, the Company's failure to repurchase tendered Series B Notes would constitute an Event of Default under the Indenture. See "Description of the Notes--Repurchase at the Option of Holders--Change of Control."

ABSENCE OF PUBLIC MARKET; RESTRICTIONS ON TRANSFER

Prior to the Exchange Offer, there has not been any public market for the Series A Notes. The Series A Notes have not been registered under the Securities Act and will be subject to restrictions on transferability to the extent that they are not exchanged for Series B Notes by holders who are entitled to participate in this Exchange Offer. The holders of Series A Notes (other than any such holder that is an "affiliate" of the Issuers within the meaning of Rule 405 under the Securities Act) who are not eligible to participate in the Exchange Offer are entitled to certain registration rights, and the Issuers are required to file a Shelf Registration Statement with respect to such Series A Notes. The Series B Notes will constitute a new issue of securities with no established trading market. Although the Initial Purchaser has informed the Issuers that it currently intends to make a market in the Series B Notes, it is not obligated to do so and any such market making may be discontinued at any time without notice in the sole discretion of the Initial Purchaser. In addition, such market making activity will be subject to the limits imposed by the Securities Act and the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and may be limited during the pendency of the Exchange Offer or the effectiveness of a shelf registration statement in lieu thereof. Accordingly, there can be no assurance as to the development or liquidity of any market for the Series B Notes. The Series B Notes are expected to be eligible for trading by qualified buyers in the PORTAL market. If an active public market does not develop, the market price and liquidity of the Series B Notes may be adversely affected. If a trading market develops for the Series B Notes, the future trading prices thereof will depend on many factors including, among other things, the Company's results of operations, prevailing interest rates, the market for securities with similar terms and the market for securities of other companies in similar businesses. The Issuers do not intend to apply for listing of the Series B Notes on any securities exchange or for their quotation through an automated dealer quotation system.

The Series A Notes were offered in reliance upon an exemption from registration under the Securities Act and applicable state securities laws. Therefore, the Series A Notes may be transferred or resold only in a transaction registered under, or exempt from, the Securities Act and applicable state securities laws. Pursuant to the Exchange and Registration Rights Agreement, the Company has agreed to file the Exchange Offer Registration Statement with the Commission and to use its reasonable best efforts to cause such registration statement to become effective with respect to the Series B Notes. After the registration statement becomes effective, the Series B Notes generally will be permitted to be resold or otherwise transferred (subject to the restrictions described under "Exchange and Registration Rights Agreement" and "Transfer Restrictions") by each holder without the requirement of further registration. The Series B Notes, however, also will constitute a new issue of securities with no established trading market and will be issued only in the amount of Series A Notes being tendered for exchange. No assurance can be given as to the liquidity of the trading market for the Series B Notes, or, in the case of non-tendering holders of Series A Notes, the trading market for the Series A Notes following the Exchange Offer.

FAILURE TO FOLLOW EXCHANGE OFFER PROCEDURES COULD ADVERSELY AFFECT HOLDERS

Issuance of the Series B Notes in exchange for the Series A Notes pursuant to the Exchange Offer will be made only after a timely receipt by the Company of such Series A Notes, a properly completed and duly executed Letter of Transmittal and all other required documents. Therefore, holders of the Series A Notes desiring to tender such Series A Notes in exchange for Series B Notes should allow sufficient time to ensure timely delivery. The Company is under no duty to give notification of defects or irregularities with respect to the tenders of Series A Notes for exchange. Series A Notes that are not tendered or are tendered but not accepted will, following the consummation of the Exchange Offer, continue to be subject to the existing restrictions upon transfer thereof and, upon consummation of the Exchange Offer, certain registration rights under the Exchange and Registration Rights Agreement will terminate. In addition, any holder of Series A Notes who tenders in the Exchange Offer for the purpose of participating in a distribution of the Series B Notes may be deemed to have received restricted securities and, if so, will be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transactions. Each holder of the Series A Notes who wishes to exchange the Series A Notes for Series B Notes in the Exchange Offer will be required to represent in the Letter of Transmittal that at the time of the consummation of the Exchange Offer: (i) it is not an affiliate of the Issuers or, if it is such an affiliate, such holder will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable; (ii) the Series B Notes to be received by it are being acquired in the ordinary course of its business; and (iii) it has no arrangement or understanding with any person to participate in the distribution of the Series A or Series B Notes within the meaning of the Securities Act. Each Participating Broker-Dealer that receives Series B Notes for its own account in exchange for Series A Notes, where such Series A Notes were acquired by such Participating Broker-Dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such Series B Notes. See "Plan of Distribution." To the extent that Series A Notes are tendered and accepted in the Exchange Offer, the trading market for untendered and tendered but unaccepted Series A Notes could be adversely affected. See "The Exchange Offer."

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain forward-looking statements concerning the Company's operations, economic performance and financial condition, including, in particular, the likelihood of the Company's success in developing and expanding its business following the consummation of the Exchange Offer. The statements are based upon a number of assumptions and estimates which are inherently subject to significant uncertainties and contingencies, many of which are beyond the control of the Company, and reflect future business decisions which are subject to change. The foregoing description of risk factors specifies the principal contingencies and uncertainties to which the Company believes it is subject. Some of these assumptions inevitably will not materialize, and unanticipated events will occur which will affect the Company's results.

USE OF PROCEEDS

The Exchange Offer is intended to satisfy certain of the Issuers' obligations under the Exchange and Registration Rights Agreement. The Issuers will not receive any cash proceeds from the issuance of the Series B Notes in the Exchange Offer. The net proceeds received by Mediacom from the Series A Notes Offering were approximately $193.5 million. Of such net proceeds, Mediacom: (i) used $20.0 million to repay in full the principal of and accrued interest on the Holding Company Notes; (ii) contributed $120.0 million to Mediacom Southeast as a preferred equity capital contribution; and (iii) contributed $53.5 million to the Western Group in the form of subordinated loans. Mediacom Southeast and the Western Group used such amounts to repay a portion of the outstanding principal Indebtedness and related accrued interest under the revolving credit lines of the respective Subsidiary Credit Facilities. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Liquidity and Capital Resources" and "Description of Other Indebtedness."

CAPITALIZATION

The following table sets forth the Company's capitalization as of March 31, 1998: (i) on an actual basis; and (ii) on a pro forma basis after giving effect to the Series A Notes Offering and the use of the net proceeds therefrom. This table should be read in conjunction with the Consolidated Financial Statements and related notes thereto, "Unaudited Pro Forma Consolidated Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Description of Other Indebtedness" included elsewhere in this Prospectus.

	AS OF MARCH 31, 1998	
	ACTUAL	PRO FORMA
	(IN THOUSANDS)	
Long-term debt (including current maturities):		
Mediacom:		
Holding Company Notes	$ 20.0	$ --
Senior Notes due 2008	--	200.0
Subsidiaries:		
Southeast Credit Facility(1)	201.0	81.0
Western Credit Facility(2)	90.5	37.0
Seller Note	3.3	3.3
Total long-term debt	314.8	321.3
Total members' equity(3)	108.5	108.5
Total capitalization	$423.3	$429.8

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(1) Pro forma for the Series A Notes Offering, Mediacom Southeast had approximately $144.0 million of unused credit commitments, of which approximately $130.0 million could have been borrowed by Mediacom Southeast and distributed to Mediacom under the most restrictive covenants of the Southeast Credit Facility.

(2) Pro forma for the Series A Notes Offering, the Western Group had approximately $63.0 million of unused credit commitments, of which approximately $54.0 million could have been borrowed by the Western Group and distributed to Mediacom under the most restrictive covenants of the Western Credit Facility.

(3) Actual and pro forma represent $125.0 million of invested equity capital less accumulated losses since the commencement of operations.

SELECTED HISTORICAL AND PRO FORMA CONSOLIDATED FINANCIAL AND OPERATING DATA

The following table presents: (i) selected historical financial data as of and for the years ended December 31, 1993, 1994 and 1995 derived from the audited financial statements of Benchmark Acquisition Fund II Limited Partnership (the "Predecessor Company"); (ii) selected historical consolidated financial and operating data as of and for the period from the commencement of operations (March 12, 1996) to December 31, 1996 and for the year ended December 31, 1997 derived from the Company's audited consolidated financial statements and should be read in conjunction with those statements, which are included in this Prospectus; and (iii) unaudited selected historical consolidated financial data for the three months ended March 31, 1997 and unaudited selected historical consolidated financial data as of and for the three months ended March 31, 1998, all of which have been derived from the unaudited consolidated financial statements of the Company, and selected historical consolidated operating data for the three months ended March 31, 1997. In the opinion of management, such unaudited interim financial statements have been prepared on the same basis as the audited financial statements and include all adjustments, which consist only of normal recurring adjustments, necessary to present fairly the financial position and the results of operations for the interim periods. Financial and operating results for the three months ended March 31,1998 are not necessarily indicative of the results that may be expected for the full year.

In addition, the following table presents unaudited selected pro forma consolidated financial and operating data for the Company for the year ended December 31, 1997 and as of and for the three months ended March 31, 1998, as adjusted to give pro forma effect to: (i) in the case of statement of operations and other financial and operating data, the Series A Notes Offering and the use of the net proceeds therefrom and the acquisitions of the Systems as if such transactions had been consummated on January 1, 1997; and (ii) in the case of balance sheet data, the Series A Notes Offering and the use of the net proceeds therefrom as if such transactions had been consummated on March 31, 1998. The unaudited pro forma consolidated financial and operating data give effect to the acquisitions of the Systems under the purchase method of accounting, certain other operating assumptions and the impact of the Series A Notes Offering.

The unaudited selected pro forma consolidated financial data have been prepared by the Company based upon the historical financial statements and do not purport to represent what the Company's results of operations or financial condition would have actually been or what operations of the Company in any future period would be if the transactions that give rise to the pro forma adjustments had occurred on the dates assumed. The following information is qualified by reference to and should be read in conjunction with "Unaudited Pro Forma Consolidated Financial Data," "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the financial statements and related notes thereto included elsewhere in this Prospectus.

SELECTED HISTORICAL AND PRO FORMA CONSOLIDATED FINANCIAL AND OPERATING DATA

	PREDECESSOR COMPANY(1)			THE COMPANY(2)				PRO FORMA	
	YEAR ENDED DEC.31, 1993	YEAR ENDED DEC. 31, 1994	YEAR ENDED DEC. 31, 1995	MARCH 12 THROUGH DEC. 31, 1996	YEAR ENDED DEC. 31, 1997	THREE MONTHS ENDED MARCH 31, 1997	THREE MONTHS ENDED MARCH 31, 1998	YEAR ENDED DEC. 31, 1997	THREE MONTHS ENDED MARCH 31, 1998
	(DOLLARS IN THOUSANDS, EXCEPT PER SUBSCRIBER DATA)								
STATEMENT OF OPERATIONS DATA:									
Revenues..........................	$ 5,279	$ 5,075	$ 5,171	$ 5,411	$ 17,634	$ 2,894	$ 25,943	$119,091	$ 31,679
Service costs.....................	1,254	1,322	1,536	1,511	5,547	890	9,822	44,286	$ 12,033
Selling, general and administrative expenses...........	1,072	1,016	1,059	931	2,696	434	5,303	23,191	$ 5,988
Management fee expense............	263	252	261	270	882	145	1,207	5,389	$ 1,465
Depreciation and amortization.....	4,337	4,092	3,945	2,157	7,636	1,607	11,229	57,506	$ 13,720
Operating income (loss)...........	(1,647)	(1,607)	(1,630)	542	873	(182)	(1,618)	(11,281)	(1,527)
Interest expense, net(3)..........	903	878	935	1,528	4,829	889	5,017	26,154	$ 6,557
Other expenses....................	26	--	--	967	640	3	3,340	3,940	$ 3,340
Net loss..........................	$(2,576)	$(2,485)	$(2,565)	$(1,953)	$ (4,596)	$(1,074)	$ (9,975)	$(41,375)	$(11,424)
OTHER DATA:									
System Cash Flow(4)...............	$ 2,953	$ 2,737	$ 2,576	$ 2,969	$ 9,391	$ 1,570	$ 10,818	$ 51,614	$ 13,658
System Cash Flow margin(5)........	55.9%	53.9%	49.8%	54.9%	53.3%	54.3%	41.7%	43.3%	43.1%
Annualized System Cash Flow(6)....									$ 54,632
EBITDA(7).........................	$ 2,690	$ 2,485	$ 2,315	$ 2,699	$ 8,509	$ 1,425	$ 9,611	$ 46,225	$ 12,193
EBITDA margin(8)..................	51.0%	49.0%	44.8%	49.9%	48.3%	49.2%	37.0%	38.8%	38.5%
Annualized EBITDA(9)..............									$ 48,772
Deficiency of earnings to fixed charges(10).......................	$ 2,576	$ 2,485	$ 2,565	$ 1,953	$ 4,596	$ 1,074	$ 9,975	$ 41,375	$ 11,424
Ratio of total indebtedness to annualized EBITDA.................									6.6x
Ratio of EBITDA to interest expense, net......................									1.9x
Ratio of total Indebtedness to annualized EBITDA.................									
Ratio of EBITDA to interest expense, net......................									
OPERATING DATA (end of period, except average):									
Homes passed......................				38,749	87,750	38,749		479,655	482,800
Basic subscribers.................				27,153	64,350	26,561		341,725	343,700
Basic penetration.................				70.1%	73.3%	68.5%		71.2%	71.2%
Premium service units.............				11,691	39,288	13,126		403,281	404,400
Premium penetration...............				43.1%	61.1%	49.4%		118.0%	117.7%
Average monthly revenues per basic subscriber(11)....................									$ 30.72
Annual System Cash Flow per basic subscriber(12)....................									$ 159
Annual EBITDA per basic subscriber(13)....................									$ 142
BALANCE SHEET DATA (end of period):									
Total assets......................	$15,296	$11,755	$ 8,149	46,560	$102,791		$444,963		$451,463
Total Indebtedness................	14,213	13,294	12,217	40,529	72,768		314,760		321,260
Total members' equity.............	481	(2,003)	(4,568)	4,537	24,441		108,466		108,466

(footnotes on following page)

(1) The selected historical financial data for the years ended December 31, 1993, 1994 and 1995 have been derived from the audited financial statements of the Predecessor Company.

(2) The Company commenced operations on March 12, 1996 with the acquisition of the Ridgecrest System (as defined) and has since completed seven additional acquisitions. See "Business--Acquisition History." The historical amounts represent the results of operations of the Systems acquired from the date of acquisition to the end of the period presented.

(3) Net of interest income.

(4) Represents EBITDA before management fees. The Company believes that System Cash Flow is a meaningful measure of performance as it is commonly used in the cable television industry to analyze and compare cable television companies on the basis of operating performance, leverage and liquidity. In addition, the Subsidiary Credit Facilities and the Indenture contain certain covenants, compliance with which is measured by computations similar to those used in determining System Cash Flow. System Cash Flow is not intended to be a performance measure that should be regarded as an alternative either to operating income or net income as an indicator of operating performance or to cash flows as a measure of liquidity, as determined in accordance with generally accepted accounting principles.

(5) Represents System Cash Flow as a percentage of revenues.

(6) Represents System Cash Flow multiplied by four.

(7) Represents operating income (loss) before depreciation and amortization. The Company believes that EBITDA is a meaningful measure of performance as it is commonly used in the cable television industry to analyze and compare cable television companies on the basis of operating performance, leverage and liquidity. In addition the Subsidiary Credit Facilities and the Indenture contain certain covenants, compliance with which is measured by computations similar to those used in determining EBITDA. EBITDA is not intended to be a performance measure that should be regarded as an alternative either to operating income or net income as an indicator of operating performance or to cash flows as a measure of liquidity, as determined in accordance with generally accepted accounting principles.

(8) Represents EBITDA as a percentage of revenues.

(9) Represents EBITDA multiplied by four.

(10) For purposes of this computation, earnings are defined as income (loss) before income taxes and fixed charges. Fixed charges are interest costs.

(11) Represents average monthly revenues for the period divided by the number of basic subscribers as of the end of such period.

(12) Represents annualized System Cash Flow for the period divided by the number of basic subscribers at the end of such period.

(13) Represents annualized EBITDA for the period divided by the number of basic subscribers at the end of such period.

UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL DATA

The unaudited pro forma consolidated financial data presented below is derived from the historical consolidated financial statements of the Company and the Systems. The unaudited pro forma consolidated balance sheet data as of March 31, 1998 give pro forma effect to the Series A Notes Offering and the use of the net proceeds therefrom as if such transactions had been consummated on March 31, 1998. The unaudited pro forma consolidated statements of operations for the year ended December 31, 1997, and for the three months ended March 31, 1998, give pro forma effect to the Series A Notes Offering and the purchase of the Systems as if such transactions had been consummated on January 1, 1997.

The unaudited pro forma consolidated financial data give effect to the acquisition of the 1998 Systems under the purchase method of accounting and are based upon the assumptions and adjustments described in the accompanying notes to the unaudited pro forma consolidated financial statements represented on the following pages. The adjustments included in the unaudited pro forma consolidated financial data represent the Company's preliminary determination of those adjustments based on available information, although no appraisal or other valuation has yet been completed and such adjustments do not include many of the effects of purchase accounting. There can be no assurance that the actual adjustments will not differ significantly from the pro forma adjustments reflected in the pro forma consolidated financial data.

The unaudited pro forma consolidated financial data does not purport to represent what the Company's results of operations or financial condition would have actually been or what operations would be if the transactions that give rise to the pro forma adjustments had occurred on the dates assumed. The unaudited pro forma consolidated financial data presented below should be read in conjunction with the audited and unaudited historical financial statements and related notes thereto of the Company and certain of the Systems and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this Prospectus.

MEDIACOM LLC AND SUBSIDIARIES
UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET
AS OF MARCH 31, 1998
(DOLLARS IN THOUSANDS)

	HISTORICAL COMPANY	OFFERING ADJUSTMENTS	PRO FORMA
ASSETS:			
Cash and equivalents	$ 1,495	$ --	$ 1,495
Subscriber accounts receivable, net	4,074	--	4,074
Prepaid expenses and other current assets	2,639	--	2,639
Inventory	1,293	--	1,293
Property, plant and equipment, net	179,122	--	179,122
Intangible assets, net	242,482	--	242,482
Other assets, net	13,858	6,500(a)	20,358
Total assets	$444,963	$6,500	$451,463
LIABILITIES AND MEMBERS' EQUITY:			
Debt	$314,760	$6,500(b)	$321,260
Accounts payable and accrued expenses	20,598	--	20,598
Subscriber advance payments and deposits	614	--	614
Management fees payable	525	--	525
Total liabilities	$336,497	$6,500	$342,997
Capital contributions	$124,990	$ --	$124,990
Accumulated deficit	(16,524)	--	(16,524)
Total members' equity	$108,466	$ --	$108,466
Total liabilities and members' equity	$444,963	$6,500	$451,463

See Accompanying Notes To Unaudited Pro Forma Consolidated Balance Sheet.

MEDIACOM LLC AND SUBSIDIARIES
NOTES TO UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET
AS OF MARCH 31, 1998
(DOLLARS IN THOUSANDS)

For purposes of determining the pro forma effect of the transactions described above on the Company's consolidated balance sheet as of March 31, 1998, the following adjustments have been made:

(a) Represents the adjustments to other assets, net resulting from the payment of estimated fees and expenses of the Series A Notes Offering.

(b) Represents the following adjustments to debt related to the Series A Notes Offering and the use of proceeds therefrom:

Gross proceeds from Series A Notes Offering	$ 200,000
Repayment of Holding Company Notes	(20,000)
Repayment of Southeast Credit Facility	(120,000)
Repayment of Western Credit Facility	(53,500)
Net increase in debt	$ 6,500

MEDIACOM LLC AND SUBSIDIARIES
UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 1997
(DOLLARS IN THOUSANDS)

	1997 SYSTEMS			1998 SYSTEMS					
	HISTORICAL COMPANY	ADJUSTMENTS	AS ADJUSTED	JONES SYSTEM	CABLEVISION SYSTEMS	ADJUSTMENTS	SYSTEMS PRIOR TO OFFERING	OFFERING ADJUSTMENTS	PRO FORMA
Revenues	$17,634	$ 6,485 (a)	$ 24,119	$5,956	$ 89,016	$ --	$119,091	--	$119,091
Service costs	5,547	2,237 (b)	7,784	1,973	38,513	(3,984)(g)	44,286	--	44,286
Selling, general and administrative expenses	2,696	1,470 (c)	4,166	1,236	22,099	(4,310)(g)	23,191	--	23,191
Management fee expense	882	324 (d)	1,206	298	--	3,885 (h)	5,389	--	5,389
Depreciation and amortization	7,636	6,925 (e)	14,561	1,204	46,116	(5,025)(i)	56,856	650 (l)	57,506
Operating income (loss)	873	(4,471)	(3,598)	1,245	(17,712)	9,434	(10,631)	(650)	(11,281)
Interest expense, net	4,829	1,230 (f)	6,059	12	12,702	7,120 (j)	25,893	261(m)	26,154
Other expenses	640	--	640	339	400	2,561 (k)	3,940	--	3,940
Net income (loss)	$(4,596)	$(5,701)	$(10,297)	$ 894	$(30,814)	$ (247)	$(40,464)	$(911)	$(41,375)
Deficiency of earnings to fixed charges									$ 41,375

See Accompanying Notes To Unaudited Pro Forma Consolidated Statement of Operations.

MEDIACOM LLC AND SUBSIDIARIES
NOTES TO UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 1997
(DOLLARS IN THOUSANDS)

For purposes of determining the pro forma effects of the transactions described above on the Company's consolidated statement of operations for the twelve months ended December 31, 1997, the following adjustments have been made:

(a) Represents revenues of certain of the 1997 Systems earned prior to the dates of their respective acquisitions. See "Business--Acquisition History."

(b) Represents service costs of certain of the 1997 Systems incurred prior to the date of their respective acquisitions. See "Business--Acquisition History."

(c) Represents selling, general and administrative expenses of certain of the 1997 Systems incurred prior to the dates of their respective acquisitions. See "Business--Acquisition History."

(d) Represents the net adjustment to record pro forma effect of management fees payable to Mediacom Management resulting from the additional revenues of the 1997 Systems. Management fees are calculated as follows: (i) 5.0% of the first $50,000 in annual gross operating revenues of the Company; (ii) 4.5% of such revenues in excess thereof up to $75,000; and (iii) 4.0% of such revenues in excess of $75,000. See "Certain Relationships and Related Transactions--Management Agreements."

(e) Represents the change in depreciation and amortization expense as if the acquisitions of the 1997 Systems had occurred on January 1, 1997. Pro forma depreciation and amortization is calculated on a straight-line basis over periods that are consistent with the Company's stated accounting policy. The basis of the purchased assets utilized in these calculations is based on preliminary asset allocations between property, plant and equipment and intangible assets and are subject to final allocation adjustments.

(f) Represents the net adjustment to: (i) record interest expense on incremental indebtedness arising from the purchase of the 1997 Systems as if such purchase occurred on January 1, 1997; and (ii) reverse historical interest expense of the 1997 Systems. Adjustments to interest expense are calculated as if the incremental indebtedness had been incurred on January 1, 1997 with interest accruing on total indebtedness, including such incremental indebtedness, at annual rates as follows: 8.51% weighted average interest on $68,100 of average borrowings under the Subsidiary Credit Facilities and 9.00% on $2,929 of the Seller Note. An 1/8% change in the interest rates will increase or decrease the interest expense per annum on the bank debt by $45 after adjusting for interest rate swap agreements.

(g) Represents the net adjustment to: (i) eliminate corporate overhead in selling, general and administrative expenses billed by the previous owners of the 1998 Systems under allocation arrangements that have been replaced by management fees paid to Mediacom Management; (ii) reflect the addition of increased programming fees in service costs of approximately $3,200 incurred by the Company had the Systems been subject to the Company's current programming fee structure for the period; (iii) eliminate deferred stock compensation expense in selling, general and administrative expenses incurred by the previous owners; and (iv) reclassify certain fees, taxes and expenses of the previous owners from service costs to selling, general and administrative expenses. See "Certain Relationships and Related Transactions--Management Agreements."

(h) Represents the net adjustment to record pro forma effect of management fees payable to Mediacom Management resulting from the additional revenues of the 1998 Systems. Management fees are calculated as follows: (i) 5.0% of the first $50,000 in annual gross operating revenues of the Company; (ii) 4.5% of such revenues in excess thereof up to $75,000; and (iii) 4.0% of such revenues in excess of $75,000. See "Certain Relationships and Related Transactions--Management Agreements."

(i) Represents the change in depreciation and amortization expense as if the acquisitions of the 1998 Systems had occurred on January 1, 1997. Pro forma depreciation and amortization is calculated on a straight-line basis over periods that are consistent with the Company's stated accounting policy. The basis of the purchased assets utilized in these calculations is based on preliminary asset allocations between property, plant and equipment and intangible assets and are subject to final allocation adjustments.

(j) Represents the net adjustment to: (i) record interest expense on incremental indebtedness arising from the purchase of the 1998 Systems as if such purchase occurred on January 1, 1997; and (ii) reverse historical interest expense of the 1998 Systems. Adjustments to interest expense are calculated as if the incremental indebtedness had been incurred on January 1, 1997 with interest accruing on total indebtedness, including such incremental indebtedness, at annual rates as follows: 8.08% weighted average interest on $296,900 of average borrowings under the Subsidiary Credit Facilities; 8.18% on the $20,000 Holding Company Notes; and 9.00% on $2,929 of the Seller Note. An 1/8% change in the interest rate will increase or decrease the interest expense per annum on the debt by $294 after adjusting for interest rate swap agreements.

(k) Represents the net adjustment to record acquisition fees payable to Mediacom Management and the elimination of historical other expense of the 1998 Systems. The calculation of acquisition fees are based on 1.0% of the recorded purchase price of the 1998 Systems. See "Certain Relationships and Related Transactions--Transaction Fees and Expense Reimbursement."

(l) Represents adjustment to record amortization of $6,500 in fees and expenses relating to the Series A Notes Offering as if the Series A Notes Offering had occurred on January 1, 1997.

(m) Represents the net adjustment to: (i) record interest expense on total indebtedness after giving pro forma effect to the Series A Notes Offering and the application of net proceeds therefrom as if such Series A Notes Offering occurred on January 1, 1997; and (ii) eliminate the interest expense of the Systems prior to the Series A Notes Offering. Adjustments to interest expense are calculated as if total indebtedness, after giving pro forma effect to the Series A Notes Offering and the application of the net proceeds therefrom, had been incurred on January 1, 1997 with interest accruing at annual rates as follows: 8.50% interest rate on $200,000 of the Notes; 7.21% weighted average interest rate on $123,400 of average borrowings under the Subsidiary Credit Facilities; and 9.00% interest rate on $2,929 of the Seller Note. An 1/8% change in the interest rate will increase or decrease the interest expense per annum on the debt by $77 after adjusting for interest rate swap agreements.

MEDIACOM LLC AND SUBSIDIARIES
UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE THREE MONTHS ENDED MARCH 31,1998
(DOLLARS IN THOUSANDS)

	HISTORICAL COMPANY	1998 SYSTEMS JONES SYSTEM	1998 SYSTEMS CABLEVISION SYSTEMS	1998 SYSTEMS ADJUSTMENTS	SYSTEMS PRIOR TO OFFERING	OFFERING ADJUSTMENTS	PRO FORMA
Revenues................	$25,943	$ 133	$ 5,603	$ --	$ 31,679	$ --	$ 31,679
Service costs...........	9,822	152	2,272	(213)(a)	12,033	--	12,033
Selling, general and administrative expenses...............	5,303	139	1,839	(1,293)(a)	5,988	--	5,988
Management fee expense..	1,207	7	--	251 (b)	1,465	--	1,465
Depreciation and amortization...........	11,229	30	2,780	(482)(c)	13,557	163 (f)	13,720
Operating income (loss)................	(1,618)	(195)	(1,288)	1,737	(1,364)	(163)	(1,527)
Interest expense, net...	5,017	--	742	750 (d)	6,509	48 (g)	6,557
Other expenses..........	3,340	--	71	(71)(e)	3,340	--	3,340
Net income (loss)......	$(9,975)	$(195)	$(2,101)	$1,058	$(11,213)	$(211)	$(11,424)
Deficiency of earnings to fixed charges.......							$ 11,424

See Accompanying Notes To Unaudited Pro Forma Consolidated Statement of Operations.

MEDIACOM LLC AND SUBSIDIARIES
NOTES TO UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE THREE MONTHS ENDED MARCH 31, 1998
(DOLLARS IN THOUSANDS)

For purposes of determining the pro forma effects of the transactions described above on the Company's consolidated statement of operations for the three months ended March 31, 1998, the following adjustments have been made:

(a) Represents the net adjustment to: (i) eliminate corporate overhead in selling, general and administrative expenses billed by the previous owners of the 1998 Systems under allocation arrangements that have been replaced by management fees paid to Mediacom Management; (ii) reflect addition of increased programming fees in service costs of approximately $800 incurred by the Company had the Systems been subject to the Company's current programming fee structure for the period; and (iii) reclassify certain fees, taxes and expenses of the previous owners from service costs to selling, general and administrative expenses. See "Certain Relationships and Related Transactions--Management Agreements."

(b) Represents the net adjustment to record pro forma effect of management fees payable to Mediacom Management resulting from the additional revenues of the 1997 Systems. Management fees are calculated as follows: (i) 5.0% of the first $50,000 in annual gross operating revenues of the Company; (ii) 4.5% of such revenues in excess thereof up to $75,000; and (iii) 4.0% of such revenues in excess of $75,000. See "Certain Relationships and Related Transactions--Management Agreements."

(c) Represents the change in depreciation and amortization expense as if the acquisitions of the 1998 Systems had occurred on January 1, 1998. Pro forma depreciation and amortization is calculated on a straight-line basis over periods that are consistent with the Company's stated accounting policy. The basis of the purchased assets utilized in these calculations is based on preliminary asset allocations between property, plant and equipment and intangible assets and are subject to final allocation adjustments.

(d) Represents the net adjustment to: (i) record interest expense on incremental indebtedness arising from the purchase of the 1998 Systems as if such purchase occurred on January 1, 1998; and (ii) reverse historical interest expense of the 1998 Systems. Adjustments to interest expense are calculated as if the incremental indebtedness had been incurred on January 1, 1998 with interest accruing on total indebtedness, including such incremental indebtedness, at annual rates as follows: 8.12% weighted average interest on $296,900 of average borrowings under the Subsidiary Credit Facilities; 8.23% on the $20,000 Holding Company Notes; and 9.00% on $3,193 of the Seller Note. An 1/8% change in the interest rate will increase or decrease the interest expense per annum on the debt by $294 after adjusting for interest rate swap agreements.

(e) Represents the elimination of historical other expenses of the 1998 Systems.

(f) Represents the net adjustment to record amortization of $6,500 in fees and expenses relating to the Series A Notes Offering as if the Series A Notes Offering had occurred on January 1, 1998.

(g) Represents the net adjustment to: (i) record interest expense on total indebtedness after giving pro forma effect to the Series A Notes Offering and the application of net proceeds therefrom as if such Series A Notes Offering occurred on January 1, 1998; and (ii) eliminate the interest expense of the Systems prior to the Series A Notes Offering. Adjustments to interest expense are calculated as if total Indebtedness, after giving pro forma effect to the Series A Notes Offering and the application of the net proceeds therefrom, had been incurred on January 1, 1998 with interest accruing at annual rates as follows: 8.50% interest rate on $200,000 of the Series A Notes; 7.25% weighted average interest rate on $123,400 of average borrowings under the Subsidiary Credit Facilities; and 9.00% interest rate on $3,193 of the Seller Note. An 1/8% change in the interest rate will increase or decrease the interest expense per annum on the debt by $77 after adjusting for interest rate swap agreements.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

INTRODUCTION

The Company was formed in July 1995 and commenced operations in March 1996 with the acquisition of its first cable television system, and has since completed seven additional acquisitions of cable television systems. A significant portion of the Company's basic subscribers were acquired in January 1998 with the purchase of the 1998 Systems for an aggregate purchase price of $330.1 million (before closing costs and adjustments). The 1998 Systems passed approximately 392,430 homes and served approximately 279,400 basic subscribers as of March 31, 1998. In addition, as of such date, the Company owned the 1997 Systems which passed approximately 90,370 homes and served approximately 64,300 basic subscribers. See "Business--Acquisition History." Accordingly, the purchase of the 1998 Systems resulted in a substantial increase in the number of basic subscribers and the revenues and expenses of the Company. As a result of the Company's limited operating history and the effect of the purchase of the 1998 Systems, the Company believes that its actual results of operations for the period ended December 31, 1996, the year ended December 31, 1997, and the three months ended March 31, 1998 are not indicative of the Company's results of operations in the future. All acquisitions have been accounted for under the purchase method of accounting and, therefore, the Company's historical results of operations include the results of operations for each acquired system subsequent to its respective acquisition date.

GENERAL

The Company's revenues are primarily attributable to monthly subscription fees charged to basic subscribers for the Company's basic and premium cable television programming services. Basic revenues consist of monthly subscription fees for all services (other than premium programming) as well as monthly charges for customer equipment rental. Premium revenues consist of monthly subscription fees for programming provided on a per channel basis. In addition, other revenues are derived from installation and reconnection fees charged to basic subscribers to commence or discontinue service, pay-per-view charges, late payment fees, franchise fees, advertising revenues and commissions related to the sale of goods by home shopping services.

The Company's operating expenses consist of service costs and selling, general and administrative expenses directly attributable to the Systems. Service costs include fees paid to programming suppliers, expenses related to copyright fees, wages and salaries of technical personnel and plant operating costs. Programming fees have historically increased at rates in excess of inflation due to increases in the number of programming services offered by the Company and improvements in the quality of programming. The Company believes that under the FCC's existing cable rate regulations, it will be able to increase its rates for cable television services enough to more than cover any increases in the costs of programming. See "Legislation and Regulation." Moreover, the Company benefits from its membership in a cooperative with over eight million basic subscribers which provides its members with significant volume discounts from programming suppliers and cable equipment vendors. Selling, general and administrative expenses directly attributable to the Systems include wages and salaries for customer service and administrative personnel, franchise fees and expenses related to billing, marketing, advertising sales and office administration.

The Company relies on Mediacom Management for all of its strategic, managerial, financial and operational oversight and advice. Mediacom Management also coordinates and provides advice with respect to programming arrangements, engineering in the areas of routine maintenance, system improvements and new technologies, and the financing of acquisitions and the operations of the Company's cable television systems. In exchange for all such services to the Company, Mediacom Management is entitled to receive annual management fees of 5.0% of the first $50.0 million of annual gross operating revenues of the Company, 4.5% of such revenues in excess thereof up to $75.0 million, and 4.0% of such revenues in excess of $75.0 million. Pursuant to the Operating Agreement (as defined), Mediacom Management is entitled to receive a fee of 1.0% of the purchase price of acquisitions made by the Company until the Company's pro forma consolidated annual gross operating revenues equal $75.0 million, and 0.5% of such purchase price thereafter. See "Certain Relationships and Related Transactions."

The high level of depreciation and amortization associated with the Company's acquisition activities as well as the interest expense related to its financing activities have caused the Company to report net losses in its limited operating history. The Company believes that such net losses are common for cable television companies and anticipates that it will continue to incur net losses for the foreseeable future.

RESULTS OF OPERATIONS

ACTUAL

Three Months Ended March 31, 1998 Compared to Three Months Ended March 31, 1997

The table below sets forth, for the three month periods ended March 31, 1998 and 1997, selected statement of operations and operating data of the Company. The following historical information includes the results of operations of the Lower Delaware System (acquired on June 24, 1997), the Sun City System (acquired on September 19, 1997), the Jones System (acquired on January 9, 1998) and the Cablevision Systems (acquired on January 23, 1998) only for that portion of the respective period that such cable television systems were owned by the Company. See "Business--Acquisition History."

	THREE MONTHS ENDED MARCH 31, 1997		THREE MONTHS ENDED MARCH 31, 1998	
	AMOUNT	% OF REVENUES	AMOUNT	% OF REVENUES
	(DOLLARS IN THOUSANDS)			
STATEMENT OF OPERATIONS DATA:				
Revenues	$ 2,894	100.0%	$ 25,943	100.0%
Operating expenses:				
Service costs	890	30.8	9,822	37.9
Selling, general and administrative expenses	434	15.0	5,303	20.4
System Cash Flow(1)	1,570	54.2	10,818	41.7
Management fee expense	145	5.0	1,207	4.7
EBITDA(1)	$ 1,425	49.2%	$ 9,611	37.0%
OPERATING DATA (end of period):				
Basic subscribers	26,560		343,700	
Premium services units	13,125		404,400	

- --------
(1) The Company believes that System Cash Flow and EBITDA are meaningful measures of performance as they are commonly used in the cable television industry to analyze and compare cable television companies on the basis of operating performance, leverage and liquidity. In addition, the Subsidiary Credit Facilities and the Indenture contain certain covenants, compliance with which is measured by computations similar to those used in determining System Cash Flow and EBITDA. Neither System Cash Flow nor EBITDA is intended to be a performance measure that should be regarded as an alternative either to operating income as an indicator of operating performance or to cash flows as a measure of liquidity, as determined in accordance with generally accepted accounting principles.

A significant portion of the Company's basic subscribers were acquired after March 31, 1997, with the purchase of the Lower Delaware System, the Sun City System and the 1998 Systems. See "Business--Acquisition History." At March 31, 1998, these systems served approximately 317,800 basic subscribers, representing 92.5% of the approximately 343,700 basic subscribers served by the Systems at the end of the first quarter of 1998. As such, the Company's acquisition activities during the period from March 31, 1997 through March 31, 1998 have resulted in substantial increases in the revenues, operating expenses, System Cash Flow, management fee expense and EBITDA of the

Company for the three month period ended March 31, 1998, compared to the corresponding period of 1997. Consequently, the Company believes that any comparisons of the Company's results of operations between the two periods are not indicative of the Company's results of operations in the future.

Revenues increased to approximately $25.9 million for the three months ended March 31, 1998 from approximately $2.9 million for the three months ended March 31, 1997, largely because of the inclusion of the results of operations of: (i) the Lower Delaware System and the Sun City System for the full quarter ended March 31, 1998; and (ii) the 1998 Systems from their respective acquisition dates. Similarly, operating expenses, System Cash Flow, management fee expense and EBITDA increased significantly between periods. System Cash Flow as a percentage of revenues decreased to 41.7% for the three months ended March 31, 1998 from 54.2% for the corresponding period of 1997. Such decrease in the EBITDA margin was attributable to the inclusion of the results of operations of the 1998 Systems (from the date of their respective acquisitions), with such results of operations reflecting lower EBITDA margins.

March 1998

The results of operations of the Company for the three month period ended March 31, 1998 reflect only the results of operations of the 1998 Systems from their respective acquisition dates. Because the Jones System and the Cablevision Systems were acquired on January 9, 1998 and January 23, 1998, respectively, and as a result of the implementation of basic service rate increases affecting approximately 237,000 basic subscribers in March 1998, the Company believes that the financial results for the month of March 1998 are more indicative of the Company's current and future operating performance. See "Summary--Recent Developments."

For the month of March 1998, the Company's annualized revenues were approximately $131.5 million, annualized System Cash Flow was approximately $59.8 million, annualized EBITDA was approximately $53.8 million, annualized interest expense was approximately $26.3 million, and the Company's consolidated debt as of March 31, 1998 was $314.8 million. Consequently, the ratio of the Company's consolidated debt as of March 31, 1998 to annualized EBITDA for the month of March 1998 was 5.9x and the ratio of annualized EBITDA to annualized interest expense was 2.0x for such period.

In April 1998, the Company increased basic service rates affecting approximately 22,000 basic subscribers. There can be no assurance that because of these rate increases or otherwise, the Company's basic subscribers affected by such rate increases will not reduce their level of service or cancel their cable television service altogether. The Company's actual results for future periods may be materially different as a result.

Year Ended December 31, 1997 Compared to the Period from March 12, 1996 to December 31, 1996

The table below sets forth, for the year ended December 31, 1997 and the period from March 12, 1996 (commencement of operations) to December 31, 1996, selected statement of operations and operating data of the Company. The following historical information includes the results of operations of the Ridgecrest System (acquired on March 12, 1996), the Kern Valley System (acquired on June 28, 1996), the Valley Center and Nogales Systems (acquired on December 27, 1996), the Lower Delaware System (acquired on June 24, 1997) and the Sun City System (acquired on September 19, 1997) only for that portion of the respective period that such Systems were owned by the Company. See "Business--Acquisition History."

	MARCH 12 TO DECEMBER 31, 1996		YEAR ENDED DECEMBER 31, 1997	
	AMOUNT	% OF REVENUES	AMOUNT	% OF REVENUES
	(DOLLARS IN THOUSANDS)			
STATEMENT OF OPERATIONS DATA:				
Revenues	$5,411	100.0%	$17,634	100.0%
Operating expenses:				
Service costs	1,511	27.9	5,547	31.4
Selling, general and administrative expenses	931	17.2	2,696	15.3
System Cash Flow	2,969	54.9	9,391	53.3
Management fee expense	270	5.0	882	5.0
EBITDA	$2,699	49.9%	$ 8,509	48.3%
OPERATING DATA (end of period):				
Basic subscribers	27,153		64,350	
Premium services units	11,691		39,288	

The growth over the period ended December 31, 1996 in revenues, operating expenses, System Cash Flow, management fee expense, EBITDA, basic subscribers and premium service units was principally attributable to the inclusion of: (i) the full year of results of operations of the Ridgecrest System, the Kern Valley System, the Nogales System and the Valley Center System; (ii) results of operations of the Lower Delaware System from the date of its acquisition on June 24, 1997; and (iii) results of operations of the Sun City System from the date of its acquisition on September 19, 1997.

Period from March 12, 1996 to December 31, 1996 Compared to Year Ended December 31, 1995

The table below sets forth the selected statement of operations and operating data of the Company for the period from March 12, 1996 (commencement of operations) to December 31, 1996, as compared to the selected statement of operations and operating data of the Predecessor Company (see below) for the year ended December 31, 1995. The following historical information for the period ended December 31, 1996 includes the results of operations of the Ridgecrest System (acquired on March 12, 1996), the Kern Valley System (acquired on June 28, 1996) and the Valley Center and Nogales Systems (acquired on December 27, 1996) only for that portion of the respective period that such Systems were owned by the Company. The Company acquired substantially all of the assets of Benchmark Acquisition Fund II LImited Partnership (the "Predecessor Company") on March 12, 1996 in its purchase of the Ridgecrest System. See "Business--Acquisition History."

	YEAR ENDED DECEMBER 31, 1995		MARCH 12, 1996 TO DECEMBER 31, 1996	
	AMOUNT	% OF REVENUES	AMOUNT	% OF REVENUES
	(DOLLARS IN THOUSANDS)			
STATEMENT OF OPERATIONS DATA:				
Revenues	$ 5,171	100.0%	$ 5,411	100.0%
Operating expenses:				
Service costs	1,536	29.7	1,511	27.9
Selling, general and administrative expenses	1,059	20.5	931	17.2
System Cash Flow	2,576	49.8	2,969	54.9
Management fee expense	261	5.0	270	5.0
EBITDA	$ 2,315	44.8%	$ 2,699	49.9%
OPERATING DATA (end of period):				
Basic subscribers	10,300		27,153	
Premium service units	6,700		11,691	

The growth over the year ended December 31, 1995, in revenues, System Cash Flow, management fee expense, EBITDA, basic subscribers and premium service units was principally attributable to: (i) the inclusion of results of operations of the Kern Valley System from its date of acquisition on June 28, 1996; (ii) the inclusion of basic subscribers and premium service units of the Valley Center and Nogales Systems as of their date of acquisition on December 27, 1996; and (iii) operating efficiencies realized by the Company in the Ridgecrest and Kern Valley Systems during the period ended December 31, 1996.

Pro Forma Results for Three Months Ended March 31, 1998 Compared to Pro Forma Results for Three Months Ended March 31, 1997

The Company has reported the results of operations of the Systems from the date of their respective acquisition. The table below sets forth, for the three months ended March 31, 1998 and 1997, the unaudited pro forma operating results of the Company assuming the acquisitions of the Systems had been consummated on January 1, 1997. See "Business--Acquisition History."

	PRO FORMA RESULTS FOR THE THREE MONTHS ENDED MARCH 31,			
	1997		1998	
	AMOUNT	% OF REVENUES	AMOUNT	% OF REVENUES
	(DOLLARS IN THOUSANDS)			
Revenues	$29,239	100.0%	$31,679	100.0%
Operating expenses:				
Service costs	11,119	38.0	12,033	38.0
Selling, general and administrative expenses	5,266	18.0	5,988	18.9
System Cash Flow	12,854	44.0	13,658	43.1
Management fee expense	1,352	4.7	1,465	4.6
EBITDA	$11,502	39.3%	$12,193	38.5%

Revenues increased to approximately $31.7 million for the three months ended March 31, 1998, from approximately $29.2 million for the three months ended March 31, 1997. The growth in revenues was attributable principally to internal subscriber growth and an increase in average monthly revenue per subscriber. Operating expenses in the aggregate increased to approximately $18.0 million in the 1998 period from approximately $16.4 million in the 1997 period, principally due to the addition of service costs and selling, general and administrative expenses associated with the increase in the subscriber base. As a result, System Cash Flow and EBITDA as a percentage of revenues were 43.1% and 38.5%, respectively, in the 1998 period as compared to 44.0% and 39.3%, respectively, in the 1997 period.

Depreciation and Amortization and Interest Expense

The Company's recent acquisition activities and related financing activities have caused the Company to report significantly higher depreciation and amortization and interest expense. The Company believes that high levels of such expenses are common for cable television companies and anticipates that it will continue to report high levels of depreciation and amortization and interest expense in the foreseeable future.

LIQUIDITY AND CAPITAL RESOURCES

The cable television business is a capital intensive business that generally requires financing for the upgrade, expansion and maintenance of the technical infrastructure. In addition, the Company has pursued, and continues to pursue, a business strategy that includes selective acquisitions. The Company has funded its working capital requirements, capital expenditures and acquisitions through a combination of internally generated funds, long-term borrowings and equity contributions. The Company intends to continue to finance such expenditures through these same sources.

From March 12, 1996 to December 31, 1997, the Company's capital expenditures (other than those related to acquisitions) were approximately $5.4 million, and for the three months ended March 31, 1998, the Company's capital expenditures were approximately $4.5 million. During 1997 and the first quarter of 1998, the Company upgraded certain 1997 Systems which served approximately 31,300 basic subscribers as of March 31, 1998. As a result, over 74.0% of the 1997 Systems' basic subscribers are currently served by cable television systems with at least 62 channel capacity. As part of this upgrade program, the Company in the fourth quarter of 1997 began the 550MHz (78 analog channels) upgrade of its largest cable television system which is located in lower Delaware, serving approximately 28,720 basic subscribers as of March 31, 1998, and expects completion of this project by mid-1999 at an estimated total cost of $6.4 million. Since the acquisition of the 1998 Systems, the Company has initiated several 550MHz (78 analog channels) upgrade projects in the 1998 Systems affecting over 100,000 basic subscribers, with expected completion by year-end 1999 at an estimated total cost of $30.4 million.

The Company has budgeted approximately $140.0 million for capital expenditures over the five-year period ending December 31, 2002, inclusive of the aforementioned capital expenditures for the Lower Delaware System and 1998 Systems. Over this period, the Company intends to spend approximately: (i) $70.0 million to establish a technical standard of 550MHz bandwidth capacity in cable television systems serving over 80.0% of its basic subscribers; (ii) $64.0 million for ongoing maintenance and replacement and for installations and extensions to the cable plant related to customer growth; and (iii) $6.0 million for the purchase of additional addressable converters. The Company is evaluating the economic viability of upgrading its larger systems to 750MHz bandwidth capacity, which would require additional capital investment. Overall, based on its capital expenditures budget, the Company plans to invest approximately $79 per basic subscriber in each year during such five-year period. See "Business--Business Strategy" for a discussion of the Company's strategic capital investment strategy.

From the Company's commencement through December 31, 1997, the Company invested approximately $98.1 million (before closing costs and adjustments) to acquire the 1997 Systems which served approximately 64,300 basic subscribers as of March 31, 1998. In January 1998, the Company invested approximately $330.1 million (before closing costs and adjustments) to acquire the 1998 Systems which served approximately 279,400 basic subscribers as of March 31, 1998. In the aggregate, the Company has invested approximately $428.2 million (before closing costs and adjustments) to acquire the Systems, which served approximately 343,700 basic subscribers as of March 31, 1998, representing an acquisition price of approximately $1,246 per basic subscriber.

Mediacom is a limited liability company which serves as the holding company for its various Subsidiaries, each of which is also a limited liability company. The Company's financing strategy is to raise equity from its members and issue public long-term debt (including the Notes) at the holding company level, while utilizing the Subsidiaries to access debt capital in the bank and private placement markets through multiple stand-alone borrowing groups. The Company believes that this financing strategy is beneficial because it broadens the Company's access to various debt markets, enhances its flexibility in managing the Company's capital structure, reduces the overall cost of debt capital and permits the Company to maintain a substantial liquidity position in the form of unused and available bank credit commitments.

Financings of the Subsidiaries are currently effected through two stand-alone borrowing groups, each with separate lending groups. The credit arrangements in these borrowing groups are non-recourse to Mediacom, have no cross-default provisions relating directly to each other, have different revolving credit and term periods and contain separately negotiated covenants tailored for each borrowing group. These credit arrangements permit the relevant Subsidiaries, subject to covenant restrictions, to make distributions to Mediacom.

Prior to the date of the Series A Notes Offering, in order to finance its working capital requirements, capital expenditures and acquisitions, and to provide liquidity for future capital requirements, the Company completed the following financing arrangements: (i) a $100.0 million senior credit facility for the Western Group expiring in September 2005; (ii) a $225.0 million senior credit facility for Mediacom Southeast expiring in June 2006; (iii) a seller note (the "Seller Note") in the original principal amount of $2.8 million issued by the Western Group; (iv) the Holding Company Notes in the aggregate principal amount of $20.0 million, which were issued by Mediacom in connection with the acquisition of the Cablevision Systems; and (v) $135.5 million of equity capital, of which $125.0 million has been invested to date in Mediacom. See "Description of Other Indebtedness."

On April 1, 1998, Mediacom and Mediacom Capital jointly issued $200 million aggregate principal amount of 8.5% Series A Notes due on April 15, 2008. Mediacom used approximately $20.0 million of the net proceeds of the Series A Notes Offering to repay in full the principal amount of the Holding Company Notes. Mediacom contributed the remaining net proceeds of approximately $173.5 million in the form of preferred equity capital contributions to Mediacom Southeast and subordinated loans to the Western Group. Such Subsidiaries used the full amount of such capital contributions and loans to repay portions of the outstanding principal Indebtedness and related accrued interest under the revolving credit facilities of the respective Subsidiary Credit Facilities. See "Use of Proceeds."

As of March 31, 1998, the Company had entered into interest rate swap agreements to hedge a notional amount of $62.0 million of borrowings under the Subsidiary Credit Facilities with expiration dates of September 1998 through October 2002. As a result of the Company's interest rate swap agreements, and after giving pro forma effect to the issuance of the Series A Notes, approximately 84.0% of the Company's Indebtedness was at fixed interest rates or subject to interest rate protection as of March 31, 1998.

As a result of the financing transactions described above, including the effect of the Series A Notes Offering and the use of the net proceeds therefrom, on a pro forma basis as of March 31, 1998, the Company would have had approximately $207.0 million of unused credit commitments, of which approximately $184.0 million could have been borrowed and distributed to Mediacom under the most restrictive covenants in the Subsidiary Credit Facilities. Determined as of March 31, 1998, and after giving effect to the aforementioned interest rate swap agreements, the weighted average interest rate on all Indebtedness outstanding under the Subsidiary Credit Facilities was approximately 8.1%. After giving effect to the Series A Notes Offering, the use of the net proceeds therefrom and said interest rate swap agreements, such rate would have been approximately 7.3%. See "Description of Other Indebtedness."

In certain limited circumstances, Mediacom's members have the right to require Mediacom to redeem their membership interests if necessary to satisfy legal restrictions relating to such ownership, as described under "Description of the Operating Agreement--Put Rights."

Although the Company has not generated earnings sufficient to cover fixed charges, the Company has generated cash and obtained financing sufficient to meet its debt service, working capital, capital expenditure and acquisition requirements. The Company expects that it will continue to be able to generate funds and obtain financing sufficient to service its obligations under the Notes. There can be no assurance that the Company will be able to refinance its Indebtedness or obtain new financing in the future or, if the Company were able to do so, that the terms would be favorable to the Company.

INFLATION AND CHANGING PRICES

The Company's costs and expenses are subject to inflation and price fluctuations. However, because changes in costs are generally passed through to subscribers, such changes are not expected to have a material effect on the Company's results of operations.

RECENT DEVELOPMENTS

Acquisitions and Related Financings. On January 9, 1998, Mediacom California completed the acquisition of the Jones System, serving approximately 17,200 basic subscribers on such date, for a purchase price of $21.4 million (before closing costs and adjustments). The acquisition of the Jones System and related closing costs and adjustments was financed with cash on hand and borrowings under a $100.0 million senior credit facility (the "Western Credit Facility") which was entered into by Mediacom California, Mediacom Arizona and Mediacom Delaware (collectively, the "Western Group") in June 1997.

On January 23, 1998, Mediacom Southeast completed the acquisition of the Cablevision Systems, serving approximately 260,100 basic subscribers on such date, for an aggregate purchase price of approximately $308.7 million (before closing costs and adjustments). The acquisition of the Cablevision Systems and related closing costs and adjustments was financed with: (i) $211.0 million of borrowings under a new $225.0 million senior credit facility (the "Southeast Credit Facility" and, together with the Western Credit Facility, the "Subsidiary Credit Facilities") made available to Mediacom Southeast; (ii) the proceeds of $20.0 million aggregate principal amount of term notes (the "Holding Company Notes") issued by Mediacom; and (iii) $94.0 million of equity capital contributed to Mediacom by its members.

On April 1, 1998, the Company completed the Series A Notes Offering. The Company used the net proceeds of the Series A Notes Offering (approximately $193.5 million) to repay in full the Holding Company Notes and to make contributions to Mediacom Southeast and the Western Group for purposes of repaying certain indebtedness under the Subsidiary Credit Facilities. See "Use of Proceeds."

Service Rate Increases. In January and February 1998, the Company gave notice of basic service rate increases to approximately 237,000 basic subscribers, effective in March 1998. For the month of March 1998, partly as a result of these basic service rate increases, the Company's annualized revenues were approximately $131.5 million. The Company also gave notice of basic service rate increases to approximately 22,000 basic subscribers, effective in April 1998. In most cases, such rate increases were implemented in connection with the introduction of new programming services, resulting from the activation of unused channels in the 1998 Systems. There can be no assurance that because of these basic service rate increases or otherwise, the Company's basic subscribers affected by such rate increases will not reduce their level of service or cancel their cable television service altogether. The Company's actual results for future periods may be materially different as a result.

YEAR 2000

The Company has performed a review of its Year 2000 preparedness relative to the Systems, its accounting software and its computer hardware. The Company believes that it will not incur material costs in connection with becoming Year 2000 compliant. In addition, the Company has received communications from its significant third party vendors and service providers stating that they are generally on target to become Year 2000 compliant in 1999 if they have not already done so. There can be no assurance that these third party vendors and service providers will complete their own Year 2000 compliant projects in a timely manner and that failure to do so would not have an adverse impact on the Company's business.

BUSINESS

OVERVIEW

Mediacom was founded in July 1995 by Rocco B. Commisso principally to acquire, operate and develop cable television systems through its Subsidiaries in selected non-metropolitan markets of the United States. Mr. Commisso is the Chairman and Chief Executive Officer of Mediacom and has over 20 years of experience with the cable television industry. To date, the Company has completed eight acquisitions of cable television systems that, as of March 31, 1998, passed approximately 482,800 homes and served approximately 343,700 basic subscribers. The Company is currently among the top 25 MSOs in the United States, operating in 14 states and serving 309 franchised communities.

In pursuing its business strategy, the Company has sought to take advantage of market opportunities to acquire underperforming and undervalued cable television systems principally in non-metropolitan markets and to build subscriber clusters through regionalized operations. From March 1996 to December 1997, the Company completed six acquisitions of cable television systems that, as of March 31, 1998, served approximately 64,300 basic subscribers in California, Arizona, Delaware and Maryland. In January 1998, the Company acquired cable television systems in two separate transactions that, as of March 31, 1998, served approximately 279,400 basic subscribers in eleven states principally Alabama, California, Florida, Kentucky, Missouri and North Carolina. The aggregate purchase price for the Systems was approximately $428.2 million (before closing costs and adjustments), representing an acquisition price of approximately $1,246 per basic subscriber. On a pro forma basis, for the three months ended March 31, 1998, the Company's annualized revenues were approximately $126.7 million, annualized System Cash Flow was approximately $54.6 million and annualized EBITDA was approximately $48.8 million.

The Systems, taken as a whole, serve communities with favorable demographic characteristics. During the five year period ended December 31, 1997, basic subscribers served by the Systems have grown at a compound annual rate of approximately 4.2%, compared to the cable television industry's estimated growth rate of 3.4% over the same period. Furthermore, the Systems have experienced a strong demand for premium service units, as reflected by the premium penetration of approximately 117.7% as of March 31, 1998 compared to the estimated year-end 1997 industry average of 77.0%. Because the Systems serve geographically and economically diverse communities in smaller markets across fourteen states, the Company believes that it is more resistant to any individual regional economic downturn and is less susceptible to any local competitive threat, providing the Company with more stable revenues and System Cash Flow.

Mr. Commisso has assembled a management team with significant business experience in acquiring, operating and financing cable television operations. The eleven most senior executives and managers of the Company have an average of over 18 years of experience with the cable television industry. Prior to founding Mediacom, Mr. Commisso served as the Executive Vice President, Chief Financial Officer and Director of CVI from August 1986 to March 1995. At the time of Mr. Commisso's arrival, CVI was a regional cable company serving fewer than 300,000 basic subscribers in four states. During his tenure, CVI completed 40 acquisitions of cable television systems with an aggregate value exceeding $1.2 billion. Mr. Commisso was directly responsible for all aspects of CVI's financing activities, including the completion of over 35 separate financing transactions with aggregate capital commitments exceeding $5.0 billion. At the time of its sale to Time Warner, Inc. in January 1996, CVI had become the eighth largest MSO in the United States, serving 1.3 million basic subscribers in 18 states, primarily in non-metropolitan markets.

BUSINESS STRATEGY

The Company's business strategy is to: (i) acquire underperforming and undervalued cable television systems primarily in non-metropolitan markets, as well as related telecommunications businesses; (ii) implement operating plans and system improvements designed to enhance the long-term operational and financial performance of the Company; and (iii) deploy a flexible financing strategy to complement the Company's growth objectives and operating plans. The key elements of the Company's business strategy are:

Selectively Pursue Strategic Acquisitions. The Company actively seeks to acquire undervalued and underperforming cable television systems, principally in non-metropolitan markets, that it believes can benefit from its operating strategy. The Company generally targets systems in close proximity to its existing operations since it is more cost effective to provide cable television and advanced telecommunications services over an expanded subscriber base within a concentrated geographic area. The Company believes that it may be able to purchase "fill-in" acquisitions at favorable prices in geographic areas where it is the dominant provider of cable television services. The Company may also expand its base of operations into other markets or pursue related telecommunications businesses if such acquisitions are consistent with its overall business strategy. The Company generally considers the following factors in analyzing potential acquisitions: (i) the demographics of the market, including income levels, housing densities and prospects for subscriber growth; (ii) the potential for clustering or regionalization; (iii) the competitive environment; (iv) the quality of the system's technical infrastructure, including the cost of upgrading; (v) the system's operating expense structure; (vi) existing subscriber rates; (vii) the cost to deploy new services such as pay-per-view, Internet access and high-speed data transmission; (viii) the potential for developing local advertising business; and (ix) franchise expiration, terms and conditions. The Company believes that acquisition opportunities continue to exist in non-metropolitan markets. Currently, the Company does not have any definitive agreements to acquire any cable television systems.

Target Non-Metropolitan Markets. The Company believes that there are operating, regulatory, competitive and economic advantages in acquiring and operating cable television systems in non-metropolitan markets. Typically, in smaller communities, cable television is necessary in order to receive a full complement of off-air broadcast stations, and there are fewer competitive entertainment alternatives available to the customer. Consequently, non-metropolitan cable television systems are generally characterized by higher basic penetration rates, lower subscriber turnover and lower operating costs, thus providing for more predictable revenue streams and higher cash flow margins than cable television systems serving urban and suburban markets. The Systems, taken as a whole, serve communities that generally have experienced higher than average growth rates in population and households. The Company believes that such favorable demographic profiles of the markets in which it operates will enable the Company to increase its basic subscriber base. The Company believes that it will continue to benefit from favorable rate regulation under the "small system rules" adopted by the FCC in 1995, and that operating in smaller markets generally poses fewer regulatory burdens. See "Legislation and Regulation." The Company also believes that non-metropolitan markets have less appeal to other local hardwire and wireless video service providers due to the lower housing densities which result in higher capital expenditures per household to construct competing video delivery systems. Lastly, as a result of the recent trend by larger MSOs in the cable television industry toward redirecting their resources to urban and suburban markets, evidenced by their ongoing divestiture of smaller market cable television systems, the Company believes that there will be continuing opportunities to acquire its targeted cable television systems at favorable prices.

Promote and Expand Service Offerings. To date, the Company generally has sought to acquire cable television systems that have underserved their customers. As a result, the Company believes that significant opportunities exist to increase the revenues of the Systems by promoting and expanding the programming services available to its customers. The Systems generate lower average monthly revenue per basic subscriber compared to the cable television industry in general. On a pro forma basis, for the three months ended March 31, 1998, the average monthly revenues per basic subscriber for the Systems was approximately $30.72, compared to the estimated year-end 1997 cable television industry average of $38.49, providing the Company with pricing flexibility as it introduces new programming services. The weighted average channel capacity for the Systems is 51 channels, of which five channels on average are unused and available for additional programming. The Company intends to introduce new programming services aggressively by activating current unused channel capacity and by increasing channel availability through planned system improvements in the longer term. In an effort to increase revenues from pay-per-view movies and events, and to increase the penetration of premium programming services (such as HBO and Showtime), the Company plans to deploy additional addressable converters in the customers' homes. Currently, approximately 63.0% of the Company's basic subscribers are served by systems that offer addressable technology, and approximately 23.0% of the Company's basic subscribers have addressable converters installed in their homes. The Company plans to market its services aggressively utilizing a full range of marketing techniques including direct door-to-door sales, telemarketing, direct mail, print and broadcast advertising, billing inserts and cross-channel promotion. In addition, the Company believes that there are significant opportunities to increase local advertising revenues, particularly in the Company's larger cable television systems. On a pro forma basis, for the three months ended March 31, 1998, the Systems generated local advertising revenues of only $0.21 per basic subscriber per month.

Invest in System Improvements. As part of its commitment to customer service, the Company endeavors to maintain high technical performance standards in all of its cable television systems. To accomplish this, the Company has embarked on a capital investment program to upgrade the Systems selectively. This program, which involves the use of fiber optic technology, will expand channel capacities, enhance signal quality, improve technical reliability, augment addressability and provide a platform to develop high-speed data services and Internet access. The Company believes that such technical upgrades create additional revenue opportunities, enhance operating efficiencies, increase customer satisfaction, improve franchising relations and solidify the Company's position as the dominant provider of video services in the markets in which it operates. Over the next five years, the Company intends to spend approximately: (i) $70.0 million to establish a technical standard of 550MHz bandwidth capacity (78 analog channels) in cable television systems serving over 80.0% of its basic subscribers; (ii) $64.0 million for ongoing maintenance and replacement and for installations and extensions to the cable plant related to customer growth; and (iii) $6.0 million for the purchase of additional addressable converters. The Company is currently evaluating the economic viability of upgrading its larger systems to 750MHz bandwidth capacity (112 analog channels), which would require additional capital investment. During 1997 and the first quarter of 1998, the Company completed upgrade projects affecting approximately 31,300 basic subscribers served by the 1997 Systems as of March 31, 1998, and as a result, over 74.0% of the 1997 Systems' basic subscribers are currently served by cable television systems with at least 62 channel capacity. As part of this upgrade program, the Company in the fourth quarter of 1997 began the 550MHz upgrade of its largest cable television system which is located in lower Delaware, serving approximately 28,720 basic subscribers as of March 31, 1998, and expects completion of this project by mid-1999. In addition, the Company has already begun 550MHz upgrade projects in the 1998 Systems affecting over 100,000 basic subscribers, with expected completion by year-end 1999. The Company is continually evaluating new technical developments and the economic feasibility of introducing new services and programming delivery capabilities, such as video-on-demand, digital compression and other interactive and high-speed data application.

Realize Operating Efficiencies. After consummating an acquisition, the Company implements managerial, operational, purchasing and technical changes designed to improve operating efficiencies.

By regionalizing certain managerial, sales and administrative functions and imposing additional cost controls at its 1997 Systems, the Company reduced operating costs, while increasing the emphasis on customer service. With respect to the 1998 Systems, the Company is currently evaluating the consolidation of certain regional, administrative and customer service operations, which should improve System Cash Flow margins. On a pro forma basis, for the three months ended March 31, 1998, the System Cash Flow margin (System Cash Flow divided by revenues) for the 1997 Systems was 53.0%, compared to 40.6% for the 1998 Systems. In addition, the Company plans to consolidate headend facilities, thereby reducing technical operating costs and capital expenditures associated with the introduction of new video services, while also facilitating the Company's ability to pursue local advertising, Internet access and high-speed data applications. The Company plans to eliminate at least 24 of the 157 headend facilities in the Systems.

Deliver Advanced Telecommunications Services. The Company believes that additional revenue opportunities exist in non-metropolitan markets by providing advanced telecommunication services, such as Internet access and the delivery of high-speed data services, including local area network applications for residential and commercial customers. The Company believes these smaller markets have limited appeal to the larger telecommunications companies and that its technical platform will provide such services at higher speeds and lower cost, giving the Company a competitive advantage over other telecommunication providers in the markets in which it operates. In Ridgecrest, California, where its cable television system passed approximately 17,700 homes and served approximately 9,900 basic subscribers as of March 31, 1998, the Company provides Internet access to over 3,500 customers through both the telephone modem and the cable modem. The cable modem provides Internet access at download speeds of up to 100 times faster than telephone modem connections. The Company plans to introduce Internet access via the cable modem in its larger systems and will seek to complement this service with the telephone modem connection through acquisitions and initial start-ups of local Internet access businesses.

Focus on Customer Satisfaction. The Company believes that providing superior customer service is a key element for its long-term success. The Company seeks to achieve a high level of customer satisfaction by employing a well-trained staff of customer service representatives and experienced field technicians. Over 75% of the Company's basic subscribers are provided toll-free access to the Company's regional calling centers on a 24-hour, 7-day per week basis. The Company believes customer service is also enhanced by the regional calling centers' ability to coordinate effectively technical service and installation appointments and to speed response to customer inquiries. The Company also believes that the regional calling center structure increases the effectiveness of its marketing campaigns. The Company is presently evaluating the possibility of extending the same 24-hour service to its other customers. Additionally, as part of its plans to introduce new programming services, the Company regularly evaluates the programming packages and pricing options available, and surveys its customers for their preferences for new programming services.

Deploy Flexible Financing Strategy. The Company has deployed a financing strategy which utilizes a prudent blend of equity and debt capital to complement the Company's acquisition and operating activities. Through its holding company structure, the Company has raised equity from its members and intends to issue public long-term debt (including the Notes) at the holding company level, while utilizing the Subsidiaries to access debt capital in the bank and private placement markets through multiple stand-alone borrowing groups. The Company believes that this financing strategy is beneficial because it broadens the Company's access to various debt markets, enhances its flexibility in managing the Company's capital structure, reduces the overall cost of debt capital and permits the Company to maintain a substantial liquidity position in the form of unused and available bank credit commitments. To date, the Company has raised $135.5 million of equity capital, of which $125.0 million has been invested in Mediacom. In addition, the Company has established two subsidiary borrowing groups which have obtained in the aggregate $325.0 million of committed bank credit facilities. Such credit facilities are non-recourse to Mediacom, have no cross-default provisions relating directly to each other and permit the relevant Subsidiaries, subject to covenant and other restrictions, to make distributions to Mediacom. As of March 31 1998, on a pro forma basis after giving effect to the Series A Notes Offering and the use of the net proceeds therefrom, the Company would have had approximately $207.0 million of unused credit commitments, of which approximately $184.0 million could have been borrowed and distributed to Mediacom under the most restrictive covenants in the Subsidiaries' credit agreements. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Liquidity and Capital Resources" and "Description of Other Indebtedness."

THE CABLE TELEVISION INDUSTRY

A cable television system receives television, radio and data signals that are transmitted to the system's headend site by means of off-air antennas, microwave relay systems and satellite earth stations. These signals are then modulated, amplified and distributed, primarily through coaxial, and in some instances, fiber optic cable, to customers who pay a fee for this service. Cable television systems may also originate their own television programming and other information services for distribution through the system. Cable television systems generally are constructed and operated pursuant to non-exclusive franchises or similar licenses granted by local governmental authorities for a specified term of years, generally for extended periods of up to 15 years.

The cable television industry developed in the United States in the late 1940's and early 1950's in response to the needs of residents in predominantly rural and mountainous areas of the country where the quality of off-air television reception was inadequate due to factors such as topography and remoteness from television broadcast towers. In the late 1960's, cable television systems also developed in small and medium-sized cities and suburban areas that had a limited availability of clear off-air television station signals. All of these markets are regarded within the cable industry as "classic" cable television station markets. In more recent years, cable television systems have been constructed in large urban cities and nearby suburban areas, where good off-air reception from multiple television stations usually is already available, in order to receive the numerous, satellite-delivered channels carried by cable television systems which are not otherwise available via broadcast television reception.

Cable television systems offer customers various levels (or "tiers") of cable television services consisting of: (i) off-air television signals of local network, independent and educational stations; (ii) a limited number of television signals from so-called "superstations" originating from distant cities (such as WGN); (iii) various satellite-delivered, non-broadcast channels (such as Cable News Network ("CNN"), MTV: Music Television, the USA Network ("USA"), Entertainment and Sports Programming Network ("ESPN") and Turner Network Television ("TNT")); (iv) certain programming originated locally by the cable television system (such as public, governmental and educational access programs); and (v) informational displays featuring news, weather, stock market and financial reports and public service announcements. For an extra monthly charge, cable television systems also offer premium television services to their customers. These services (such as Home Box Office ("HBO"), Showtime and regional sports networks) are satellite-delivered channels consisting principally of feature films, live sports events, concerts and other special entertainment features, usually presented without commercial interruption.

A customer generally pays an initial installation charge and fixed monthly fees for basic and premium television services and for other services (such as the rental of converters and remote control devices). Such monthly service fees constitute the primary source of revenue for cable television operators. In addition to customer revenue from these services, cable television operators generate revenue from additional fees paid by customers for pay-per-view programming of movies and special events and from the sale of available advertising spots on advertiser-supported programming. Cable television operators frequently also offer to their customers home shopping services, which pay the systems a share of revenue from sales of products in the systems' service areas. See "--Marketing, Programming and Rates."

ACQUISITION HISTORY

Founded in July 1995, the Company commenced operations in March 1996 with the acquisition of its first cable television system serving certain communities in and around Ridgecrest, California. Since then, the Company has completed seven additional acquisitions of cable television systems. The following table summarizes certain information relating to the acquisitions of the Systems in chronological order:

LOCATION OF SYSTEMS	PREDECESSOR OWNER (SYSTEM)(1)	DATE ACQUIRED	PURCHASE PRICE (IN MILLIONS)(2)	BASIC SUBSCRIBERS(3)	PURCHASE PRICE PER SUBSCRIBER
Ridgecrest, CA	Benchmark Communications (the "Ridgecrest System")	March 12, 1996	$ 18.8	9,870	$1,905
Kern Valley, CA	Booth American Company (the "Kern Valley System")	June 28, 1996	11.0	6,240	1,763
Nogales, AZ	Saguaro Cable TV Investors, L.P. (the "Nogales System")	December 27, 1996	11.4	7,780	1,465
Valley Center, CA	Valley Center Cablesystems, L.P. (the "Valley Center System")	December 27, 1996	2.5	2,020	1,238
Lower Delaware	American Cable TV Investors 5, Ltd. (the "Lower Delaware System")	June 24, 1997	42.9	28,720	1,494
Sun City, CA	CoxCom, Inc. (the "Sun City System")	September 19, 1997	11.5	9,670	1,189
Clearlake, CA	Jones Intercable, Inc. (the "Jones System")	January 9, 1998	21.4	17,550	1,219
Various States	Cablevision Systems Corporation (the "Cablevision Systems")	January 23, 1998	308.7	261,850	1,179
		Total	$428.2	343,700	$1,246

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(1) Purchased from either the named party, one or more of its affiliates or the controlling or managing operator.
(2) Represents the final purchase price before closing costs and adjustments.
(3) As of March 31,1998.

DESCRIPTION OF THE OPERATING REGIONS

To manage and operate the Systems, the Company has established four operating regions: Southeast, Mid-Atlantic, Central and Western. In turn, each region is subdivided into groups of cable television systems ("Regional Clusters") which are organized and operated geographically. On a pro forma basis, the table below and the discussion that follows provide an overview of selected financial, operating and technical statistics for each of the Company's four operating regions as of and for the three months ended March 31, 1998 (unless otherwise indicated).

	SOUTHEAST	MID-ATLANTIC	CENTRAL	WESTERN	TOTAL
	(DOLLARS IN THOUSANDS, EXCEPT PER SUBSCRIBER DATA)				
FINANCIAL DATA:					
Annualized revenues........	$48,975	$28,105	$27,660	$21,975	$126,715
Annualized operating expenses..................	30,410	15,975	14,925	10,775	72,085
Annualized System Cash Flow......................	$18,565	$12,130	$12,735	$11,200	$ 54,630
System Cash Flow margin....	37.9%	43.2%	46.0%	51.0%	43.1%
Annual System Cash Flow per basic subscriber(1).......	$ 142	$ 147	$ 165	$ 211	$ 159
Average monthly basic revenues per basic subscriber(2).............	$ 21.68	$ 21.79	$ 22.17	$ 27.15	$ 22.66
Average monthly revenues per basic subscriber(3)...	$ 31.21	$ 28.43	$ 29.77	$ 34.47	$ 30.72
OPERATING AND TECHNICAL DATA (end of period, except average):					
Homes passed...............	178,580	106,170	116,210	81,840	482,800
Miles of plant.............	4,690	2,860	2,870	1,260	11,680
Density(4).................	38	37	41	65	41
Basic subscribers..........	130,750	82,390	77,430	53,130	343,700
Basic penetration..........	73.2%	77.6%	66.6%	64.9%	71.2%
Premium service units......	199,990	82,620	100,500	21,290	404,400
Premium penetration........	153.0%	100.3%	129.8%	40.1%	117.7%
Regional Clusters..........	4	3	4	4	15
Weighted average channel capacity(5)...............	57	47	42	58	51

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(1) Represents annualized System Cash Flow for the period divided by basic subscribers at the end of the period.
(2) Represents revenues from basic programming services for the last three months of the period divided by basic subscribers at the end of the period.
(3) Represents average monthly revenues for the three months ended March 31, 1998 divided by the number of basic subscribers as of the end of such period.
(4) Homes passed divided by miles of plant.
(5) Determined on a per subscriber basis.

SOUTHEAST REGION. The cable television systems in the Southeast Region, the Company's largest region, were purchased in January 1998 as part of the acquisition of the Cablevision Systems. Over 81.0% of the region's basic subscribers are located in the suburbs and outlying areas of Pensacola, Fort Walton Beach and Panama City, Florida, Mobile and Huntsville, Alabama and Biloxi, Mississippi. On a pro forma basis, for the three months ended March 31, 1998, the region's annualized revenues were approximately $49.0 million, and annualized System Cash Flow was approximately $18.6 million, resulting in a System Cash Flow margin of 37.9% and annual System Cash Flow per basic subscriber of $142. The region's systems passed approximately 178,580 homes and served approximately 130,750 basic subscribers in 90 franchised communities. All of the region's basic subscribers are serviced from a regional customer service center in Gulf Breeze, Florida, which provides 24-hour, 7-day per week service. According to National Decision Systems, 1997 ("NDS"), projected median household growth in the counties served by the region's systems for the five-year period ending 2002 is 5.5%, exceeding the projected U.S. median household growth for the same period of 3.4%.

At March 31, 1998, the region generated monthly revenues per basic subscriber of $31.21 compared to the estimated year-end 1997 industry average of $38.49 (the "Industry Average"), and had an average monthly rate for basic programming services of $21.68. The weighted average channel capacity of the region's systems was 57 channels, with over 44.0% of the region's basic subscribers being served by systems with at least five unused channels, providing the Company with flexibility in the near term as it introduces new basic and other programming services. The region's video services are delivered through 57 headend facilities. Over the next two years, the Company plans to upgrade certain systems to 78 channel capacity, affecting approximately 26,800 of the region's basic subscribers and expects to eliminate 12 headend facilities in the Systems. After completion of these projects, approximately 54.0% of the region's basic subscribers will be served by systems with 78 channel capacity. As part of its technical improvement program, the Company also plans to accelerate the deployment of addressable converters in the region. Currently, over 69.0% of the region's basic subscribers are served by systems that offer addressable technology and over 32.0% of the region's basic subscribers have addressable converters in their homes. In addition, the Company intends to promote more aggressively the region's local advertising sales, which generated monthly revenues of only $0.08 per basic subscriber during the first quarter of 1998. The Southeast Region is organized in four Regional Clusters: the Panhandle Cluster, the Mobile Cluster, the Huntsville Cluster and the Central Alabama/Mississippi Cluster.

The Panhandle Cluster. The cable television systems in the Panhandle Cluster serve approximately 56,950 basic subscribers in the suburbs and outlying areas of Pensacola, Fort Walton Beach and Panama City, Florida. The largest system in the cluster is located in the suburbs of Pensacola, Florida, serving approximately 28,600 basic subscribers from two headend facilities. This system has 78 channel capacity, of which 8 are unused, and 42.6 miles of fiber backbone. This system's basic subscribers have increased at a 6.6% compound annual growth rate ("CAGR") over the 1992-1997 period, reflecting the favorable population and housing growth trends in these markets. The cluster also serves the high-growth resort area of Gulf Shores, Alabama. The basic subscribers served by the Gulf Shores system have increased at a CAGR of 10.0% over the same five-year period. The Gulf Shores system serves approximately 6,900 basic subscribers from one headend facility and has 27.5 miles of fiber backbone. This system was upgraded in late 1997 to 78 channel capacity, resulting in 34 unused channels.

The Mobile Cluster. The cable television systems in the Mobile Cluster serve approximately 34,800 basic subscribers in the suburbs and outlying areas of Mobile, Alabama and Biloxi, Mississippi. The largest system serves approximately 17,000 basic subscribers from three headend facilities. Over the next two years, the Company plans to upgrade this system to 78 channel capacity, which will also result in the elimination of two headend facilities. This cluster's basic subscribers increased at a CAGR of 4.7% over the 1992-1997 period.

The Huntsville Cluster. The cable television systems in the Huntsville Cluster serve approximately 16,200 basic subscribers, principally in the high-growth suburbs of Huntsville, Alabama. The largest cable television system serves approximately 90.0% of this cluster's basic subscribers from two headend facilities, has 25 miles of fiber backbone, and is capable of delivering 54 channels, of which 3 channels are unused. The Huntsville Cluster's basic subscribers have increased at a CAGR of 5.9% over the 1992-1997 period.

The Central Alabama/Mississippi Cluster. The cable television systems in the Central Alabama/Mississippi Cluster serve approximately 22,800 basic subscribers principally in the outlying areas of Jackson, Meridian, and Tupelo, Mississippi and Montgomery and Tuscaloosa, Alabama. Approximately 45.0% of this cluster's basic subscribers are served by systems capable of delivering 54 channels, with at least 7 unused channels. This cluster's basic subscribers have increased at a CAGR of 1.6% over the 1992-1997 period.

MID-ATLANTIC REGION. The cable television systems in the Mid-Atlantic Region serve communities in lower Delaware and southeastern Maryland and northeastern and western areas of North Carolina. The Lower Delaware System was acquired in June 1997 from an affiliate of Tele-Communications, Inc., and the region's remaining systems were purchased in January 1998 as part of the acquisition of the Cablevision Systems. On a pro forma basis, for the three months ended March 31, 1998, the region's annualized revenues were approximately $28.1 million, and annualized System Cash Flow was approximately $12.1 million, resulting in a System Cash Flow margin of 43.2% and annual System Cash Flow per basic subscriber of $147. The region's systems passed approximately 106,170 homes and served approximately 82,390 basic subscribers in 59 franchised communities. According to NDS, projected median household growth in the counties served by the Mid-Atlantic Region for the five-year period ending 2002 is 5.3%, exceeding the projected U.S. median household growth rate for the same period of 3.4%.

At March 31, 1998, the region generated monthly revenues per basic subscriber of $28.43 compared to the Industry Average of $38.49, and had an average monthly rate for basic programming services of $21.79. The weighted average channel capacity of the region's systems was 47 channels, with approximately 22.0% of the basic subscribers served by systems with excess channel capacity. The region's video services are delivered through 17 headend facilities. Over the next two years, the Company expects to upgrade to 78 channel capacity systems serving approximately 76.0% of the region's basic subscribers and expects to eliminate four headend facilities in the region. After these system improvements, over 84.0% of the region's basic subscribers will be served by systems with at least 54 channel capacity. These planned improvements will also include the elimination of up to four headend facilities. In addition, the Company plans to accelerate the deployment of addressable converters in the region. Currently, over 84.0% of the region's basic subscribers are served by systems that offer addressable technology and over 23.0% of the region's basic subscribers have addressable converters in their homes. The Company intends to promote more aggressively the region's local advertising sales, which generated monthly revenue of only $0.35 per basic subscriber during the first quarter of 1998. The Mid-Atlantic Region is organized in three Regional Clusters: the Lower Delaware Cluster, the Western Carolina Cluster and the Eastern Carolina Cluster.

The Lower Delaware Cluster. The cable television system in the Lower Delaware Cluster serves approximately 28,720 basic subscribers in lower Delaware and southeastern Maryland, adjacent to Ocean City, Maryland. This system is served from a single headend facility and has over 65 miles of fiber backbone. An upgrade to 78 channel capacity was initiated in the fourth quarter of 1997, utilizing both fiber-to-the-feeder and fiber backbone architecture, with an expected completion date of mid-1999. The Company is currently evaluating the coordination of this system's customer service functions with the regional calling center in Hendersonville, North Carolina in order to provide to the customers of this cluster 24-hour, 7-day per week service. This cluster's basic subscribers have increased at a CAGR of 4.4% over the 1992-1997 period.

The Western Carolina Cluster. The cable television systems in the Western Carolina Cluster serve approximately 36,490 basic subscribers principally located in Hendersonville, North Carolina and the suburbs and outlying areas of Asheville, North Carolina, and Greenville and Spartanburg, South Carolina. The largest system serves approximately 22,250 basic subscribers in Henderson County, North Carolina, from a single headend facility and has 29.5 miles of fiber backbone. Over the next two years, the Company intends to upgrade systems serving approximately 84.0% of the cluster's basic subscribers to 78 channel capacity, utilizing both fiber-to-the-feeder and fiber backbone architecture. This cluster's basic subscribers increased at a CAGR of 6.8% over the 1992-1997 period. Both the Western and Eastern Carolina Clusters are serviced from a regional customer service center located in Hendersonville, North Carolina, which provides 24-hour, 7-day per week service.

The Eastern Carolina Cluster. The cable television systems in the Eastern Carolina Cluster serve approximately 17,180 basic subscribers principally located in the northeastern coastal area of North

Carolina. Within the next two years, the Company intends to upgrade two systems serving approximately 6,700 basic subscribers to 78 channel capacity from their current channel capacity of 36 channels. This cluster's basic subscribers increased at a CAGR of 3.8% over the 1992-1997 period.

CENTRAL REGION. The cable television systems in the Central Region were acquired in January 1998 as part of the acquisition of the Cablevision Systems. This region's systems serve the suburbs and outlying areas of Kansas City and Springfield, Missouri and Topeka, Kansas, and the western portion of Kentucky. On a pro forma basis, for the three months ended March 31, 1998, the region's annualized revenues were approximately $27.7 million, and annualized System Cash Flow was approximately $12.7 million, resulting in a System Cash Flow margin of 46.0% and annual System Cash Flow per basic subscriber of $165. The systems passed 116,210 homes and served 77,430 basic subscribers in 144 franchised communities. According to NDS, projected median household growth in the counties served by the Central Region for the five-year period ending 2002 is 3.8%, exceeding the projected U.S. median household growth rate for the same period of 3.4%.

At March 31, 1998, the region generated monthly revenue per basic subscriber of $29.77 compared to the Industry Average of $38.49, and had an average monthly rate for basic programming services of $22.17. The weighted average channel capacity of the region's cable television systems was 42 channels, with approximately 22.0% of the region's basic subscribers being served by systems with at least five unused channels. The region's video services are delivered through 74 headend facilities. In the near term, the Company plans to utilize excess channel capacity to introduce new basic programming services. Over the next two years, the Company expects to upgrade several of the region's systems to 78 channel capacity and to eliminate eight headend facilities in the region. After completion of these projects, approximately 47.0% of the region's basic subscribers will be served by systems with at least 54 channel capacity. As part of its technical improvement program, the Company also plans to increase the deployment of addressable converters in the region, which are currently installed in the homes of only 3.1% of the region's basic subscribers. In addition, the Company plans to improve the region's local advertising sales which generated monthly revenues of only $0.04 per basic subscriber during the first quarter of 1998. The Central Region is organized in four Regional Clusters: the Western Kentucky Cluster, the Springfield Cluster, the Kansas City Cluster and the Topeka Cluster.

The Western Kentucky Cluster. The cable television systems in the Western Kentucky Cluster serve approximately 34,800 basic subscribers principally located in the communities surrounding the Land Between Lakes recreational area of Western Kentucky and outlying areas of Bowling Green, Kentucky. This cluster also serves communities in southern Illinois, primarily within 40 miles of St. Louis, Missouri. Within the next two years, the Company intends to upgrade certain systems in this cluster to 78 channel capacity, affecting approximately 13,400 basic subscribers. This cluster's basic subscribers increased at a CAGR of 4.8% over the 1992-1997 period.

The Springfield Cluster. The cable television systems in the Springfield Cluster serve approximately 19,450 basic subscribers located in suburbs and outlying areas of Springfield, Missouri. Within the next two years, the Company intends to upgrade certain systems in this cluster affecting approximately 6,500 basic subscribers to 78 channel capacity from their current channel capacity of 36 channels. This cluster's basic subscribers increased at a CAGR of 4.0% over the 1992-1997 period.

The Kansas City Cluster. The cable television systems in the Kansas City Cluster serve approximately 13,470 basic subscribers located in suburbs and outlying areas of Kansas City, Missouri. Within the next two years, the Company intends to upgrade certain systems in this cluster affecting approximately 5,600 basic subscribers to 78 channel capacity from their current channel capacity of 36 channels. This cluster's basic subscribers increased at a CAGR of 3.2% over the 1992-1997 period.

The Topeka Cluster. The cable television systems in the Topeka Cluster serve approximately 9,710 basic subscribers located in suburbs and outlying areas of Topeka, Kansas. Within the next two years, the Company intends to upgrade a certain system in this cluster affecting approximately 1,600 basic subscribers to 78 channel capacity from its current channel capacity of 36 channels. This cluster's basic subscribers increased at a CAGR of 1.6% over the 1992-1997 period.

WESTERN REGION. The cable television systems in the Western Region were acquired in separate asset purchase transactions, beginning on March 12, 1996 with the purchase of the Ridgecrest System and concluding with the purchase of the Jones System on January 9, 1998. The region's systems serve communities in: (i) areas north of Napa Valley, California; (ii) the Indian Wells Valley in central California; (iii) portions of Riverside County and San Diego County, California; and (iv) Nogales, Arizona and outlying areas. On a pro forma basis, for the three months ended March 31, 1998, the region's annualized revenues were approximately $22.0 million, and annualized System Cash Flow was approximately $11.2 million, resulting in a System Cash Flow margin of 51.0% and annual System Cash Flow per basic subscriber of $211. The region's systems passed 81,840 homes and served 53,130 basic subscribers in 16 franchised communities. According to NDS, projected median household growth in the counties served by the Western Region for the five-year period ending 2002 is 9.5%, exceeding the projected U.S. median household growth rate for the same period of 3.4%.

At March 31, 1998, the region generated monthly revenues per basic subscriber of $34.47 compared to the Industry Average of $38.49 and had an average monthly rate for basic programming services of $27.15. The weighted average channel capacity of the region's cable television systems was 58 channels, with approximately 32.0% of the region's basic subscribers being served by systems having at least five unused channels. The region's video services are delivered through nine headend facilities. Over the next two years, the Company expects to upgrade the region's largest system from 36 to 78 channel capacity. After completion of this project, approximately 98.0% of the region's basic subscribers will be served by systems with at least 62 channel capacity. As part of its technical improvement program, the Company also plans to accelerate the deployment of addressable converters in the region. The region's systems are 100% addressable and approximately 28.0% of the region's basic subscribers have addressable converters in their homes. In addition, the Company plans to promote more aggressively the region's local advertising sales, which generated monthly revenues of only $0.63 per basic subscriber during the first quarter of 1998. The Western Region is organized in four Regional Clusters: the Clearlake Cluster, the Ridgecrest Cluster, the Sun City Cluster and the Nogales Cluster.

The Clearlake Cluster. The cable television system in the Clearlake Cluster, acquired on January 9, 1998 from affiliates of Jones Intercable, Inc., serves approximately 17,550 basic subscribers in certain communities of Lake County, California. This system is served by a single headend facility. The Company has already initiated an upgrade of this system to 78 channel capacity from its current channel capacity of 36 channels and plans to utilize both fiber-to-the-feeder and fiber backbone architecture. Completion of this upgrade project is expected in late 1999. This cluster's basic subscribers increased at a CAGR of 4.0% over the 1992-1997 period.

The Ridgecrest Cluster. The cable television systems in the Ridgecrest Cluster serve approximately 16,110 basic subscribers located in Ridgecrest, Kernville, Lake Isabella and Trona, California and their surrounding areas. All of the systems in this cluster have the capability of delivering 62 channels. The Company currently offers Internet access via both the telephone modem and cable modem to over 3,500 customers in the Ridgecrest community at monthly rates of between $17.95 and $19.95 for the telephone modem customers and between $29.95 and $34.95 for the cable modem customers. The Company intends to introduce this same combination of Internet access services in its larger systems. Also, the Ridgecrest Cluster's local advertising business generated monthly revenues per basic subscriber of approximately $1.10 during the first quarter of 1998. This cluster's basic subscribers decreased by approximately 1,600 over the 1992-1997 period.

The Sun City Cluster. The cable television systems in the Sun City Cluster serve approximately 11,690 basic subscribers in Sun City and Valley Center, California from two headend facilities. As a result of completing technical upgrades since their acquisition, these systems now have the capability to deliver between 62 channels and 78 channels of programming. This cluster's basic subscribers increased at a CAGR of 1.8% over the 1992-1997 period.

The Nogales Cluster. The cable television systems in the Nogales Cluster serve approximately 7,780 basic subscribers in Nogales, and its surrounding communities, and Ajo, Arizona, from three headend facilities. As a result of completing technical upgrades since their acquisition, over 85.0% of the cluster's basic subscribers are now served by systems with the capability to deliver between 62 channels and 78 channels. This cluster's basic subscribers increased at a CAGR of 1.0% over the 1992-1997 period.

TECHNOLOGICAL DEVELOPMENTS

As part of its commitment to customer service, the Company endeavors to maintain high technical performance standards in all of its cable television systems. To accomplish this, the Company has embarked on a capital investment program to upgrade the Systems selectively. This program, which involves the use of fiber optic technology, will expand channel capacities, enhance signal quality, improve technical reliability, augment addressability and provide a platform to develop high-speed data services and Internet access. The Company believes that such technical upgrades create additional revenue opportunities, enhance operating efficiencies, increase customer satisfaction, improve franchising relations and solidify the Company's position as the dominant provider of video services in the markets in which it operates. Before committing the capital to upgrade or rebuild a system, the Company carefully assesses: (i) the existing technical reliability and picture quality of the system; (ii) basic subscribers' demand for more channels; (iii) requirements in connection with franchise renewals; (iv) programming alternatives offered by competitors; (v) customers' demand for other cable television and broadband telecommunications services; and (vi) the return on investment of any such capital outlay.

The table below summarizes the Company's existing technical profile as of March 31, 1998. On such date, the Systems had a weighted average channel capacity of 51 channels and delivered, on average, 46 channels of programming to its basic subscribers.

OPERATING REGIONS	BASIC SUBSCRIBERS AS OF MARCH 31, 1998	PERCENTAGE OF BASIC SUBSCRIBERS BY CHANNEL CAPACITY						WEIGHTED AVERAGE CHANNEL CAPACITY
		30 CHANNELS (270 MHZ)	36 CHANNELS (300 MHZ)	42 CHANNELS (330 MHZ)	54 CHANNELS (400 MHZ)	62 CHANNELS (450 MHZ)	78 CHANNELS (550 MHZ)	
Southeast...............	130,750	1.0%	22.8%	16.7%	4.6%	21.9%	33.0%	57
Mid-Atlantic............	82,390	0.0	25.6	53.2	0.7	6.0	14.5	47
Central.................	77,430	1.9	40.4	43.4	4.7	9.6	0.0	42
Western.................	53,130	0.0	32.4	2.0	0.0	34.4	31.2	58
Total.................	343,700	0.8%	29.0%	29.2%	3.0%	17.2%	20.8%	51

Over the next five years, the Company intends to spend approximately: (i) $70.0 million to establish a technical standard of 550MHz bandwidth capacity (78 analog channels) in cable television systems serving over 80% of its basic subscribers (the "System Improvement Program"); (ii) $64.0 million for ongoing maintenance and replacement and for installations and extensions to the cable plant related to customer growth; and (iii) $6.0 million for the purchase of additional addressable converters. The table below summarizes the Company's expected technical profile upon completion of the System Improvement Program.

OPERATING REGIONS	BASIC SUBSCRIBERS AS OF MARCH 31, 1998	PERCENTAGE OF BASIC SUBSCRIBERS BY CHANNEL CAPACITY						WEIGHTED AVERAGE CHANNEL CAPACITY
		30 CHANNELS (270 MHZ)	36 CHANNELS (300 MHZ)	42 CHANNELS (330 MHZ)	54 CHANNELS (400 MHZ)	62 CHANNELS (450 MHZ)	78 CHANNELS (550 MHZ)	
Southeast	130,750	0.0%	1.0%	0.8%	3.0%	16.6%	78.6%	74
Mid-Atlantic	82,390	0.0	0.0	0.0	0.0	6.0	94.0	77
Central	77,430	0.0	4.0	4.0	3.6	9.7	78.7	72
Western	53,130	0.0	0.0	0.0	0.0	34.6	65.4	72
Total	343,700	0.0%	1.3%	1.2%	1.9%	15.3%	80.3%	74

Over 63.0% of the Company's basic subscribers currently have access to addressable technology and over 23.0% have addressable converters in their homes. During the next five years, the Company expects that the number of its basic subscribers with addressable converters deployed in their homes will double. Addressable technology enables the Company to electronically control the cable television services being delivered to the customer's home. As a result, the Company can electronically upgrade or downgrade services to a customer immediately, from its regional calling centers and local customer service centers, without the delay or expense associated with dispatching a technician to the customer's home. Addressable technology also reduces premium service theft, is an effective enforcement tool in the collection of delinquent payments and enables the Company to offer pay-per-view services, including movies and events.

The Company's active use of fiber optic technology as an alternative to coaxial cable is playing a major role in expanding channel capacity and improving the performance of its cable television systems. Fiber optic strands are capable of carrying hundreds of video, data and voice channels over extended distances without the extensive signal amplification typically required for coaxial cable. The Company will use fiber backbone architecture to eliminate headend facilities and to reduce amplifier cascades, thereby improving picture quality, system reliability and headend and maintenance expenditures. The Company plans to utilize fiber backbone architecture to eliminate at least 24 of the 157 headend facilities in the Systems. To date, the Company has utilized fiber optic technology in all of its 550MHz upgrade projects, using a combination of fiber-to-feeder and fiber backbone architecture. In addition, a number of fiber upgrade projects are underway affecting 125,000 basic subscribers. Upon completion of the System Improvement Program, the Company expects that fiber optic technology will be utilized in systems serving over 90% of its basic subscribers.

Recently, high-speed cable modems and set-top boxes using digital compression technology have become commercially viable. These developments allow for the introduction of high-speed data services and Internet access and will increase programming services available to customers. The Company now offers Internet access both through the telephone modem and cable modem in one of the Western Region's systems and intends to introduce a combination of these services in its larger systems. Digital compression technology provides for a significant expansion of channel capacity with up to 16 digital channels to be carried in the bandwidth of one analog channel. The Company is currently evaluating the economic feasibility of deploying digital compression technology in one or more of its larger systems.

MARKETING, PROGRAMMING AND RATES

The Company's marketing programs and campaigns are based upon offering a variety of cable services creatively packaged and tailored to appeal to its different markets and to segments within each market. The Company routinely surveys its customer base to ensure that it is meeting the demands of its customers and stays abreast of its competition in order to effectively counter competitors' promotional campaigns. The Company uses a coordinated array of marketing techniques to attract and retain customers and to increase premium service penetration, including door-to-door and direct mail solicitation, telemarketing, media advertising, local promotional events typically sponsored by programming services and cross-channel promotion of new services and pay-per-view. Over 75.0% of the Systems' basic subscribers are serviced by regional calling centers where the Company concentrates its telemarketing efforts with a well-trained staff of telemarketers.

The Company has various contracts to obtain basic and premium programming for the Systems from program suppliers whose compensation is typically based on a fixed fee per customer. The Company's programming contracts are generally for a fixed period of time and are subject to negotiated renewal. Some program suppliers provide volume discount pricing structures or offer marketing support to the Company. The Company's successful marketing of multiple premium service packages emphasizing customer value enables the Company to take advantage of such cost incentives. In addition, the Company is a member of the National Cable Television Cooperative, Inc., a programming consortium consisting of small to medium-sized MSOs serving, in the aggregate, over eight million cable subscribers. The consortium was formed to help create efficiencies in the areas of securing and administering programming contracts, as well as to establish more favorable programming rates and contract terms for small to medium-sized operators. The Company intends to negotiate programming contract renewals both directly and through the consortium to obtain the best available contract terms. The Company's programming costs are expected to increase in the future due to additional programming being provided to its customers, increased costs to purchase programming, inflationary increases and other factors affecting the cable television industry. The Company believes that it will be able to pass through expected increases in its programming costs to customers, although there can be no assurance that it will be able to do so. The Company also has various retransmission consent arrangements with commercial broadcast stations which generally expire in December 1999 and beyond. None of these consents require payment of fees for carriage, however, the Company has entered into agreements with certain stations to carry satellite-delivered cable programming which is affiliated with the network carried by such stations. See "Legislation and Regulation."

Although services vary from system to system due to differences in channel capacity, viewer interests and community demographics, the majority of the Systems offer a "basic service tier," consisting of local television channels (network and independent stations) available over-the-air, satellite-delivered "superstations" originating from distant cities (such as WGN), and local public, governmental, home-shopping and leased access channels. The majority of the Systems offer, for a monthly fee, an expanded basic tier of various satellite-delivered, non-broadcast channels (such as CNN, MTV, USA, ESPN and TNT). In addition to these services, the Systems typically provide one or more premium services such as HBO, Cinemax, Showtime, The Movie Channel, Starz! and The Disney Channel, which are combined in different formats to appeal to the various segments of the viewing audience. These services are satellite-delivered channels consisting principally of feature films, original programming, live sports events, concerts and other special entertainment features, usually presented without commercial interruption. Such premium programming services are offered by the Systems both on a per-channel basis and as part of premium service packages designed to enhance customer value and to enable the Company to take advantage of programming agreements offering cost incentives based on premium service unit growth. Basic subscribers may subscribe for one or more premium service units. A "premium service unit" is a single premium service for which a subscriber must pay an additional monthly fee in order to receive the service. The Company plans to upgrade certain of the Systems using fiber optic technology, which will allow the Company to expand its ability to use "tiered" packaging strategies for marketing premium services and promoting niche programming services. The Company believes that this ability will increase basic and premium penetration as well as revenue per basic subscriber. The Systems also typically provide one or more pay-per-view services purchased from independent suppliers such as Request, Viewer's Choice, Showtime Event Television, etc. These services are satellite-delivered channels, consisting principally of feature films, live sporting events, concerts and other special "events," usually presented without commercial interruption. Such pay-per-view services are offered by the Company on a "per viewing" basis, with subscribers only paying for programs which they select for viewing.

Monthly customer rates for services vary from market to market, primarily according to the amount of programming provided. At March 31, 1998, the Company's monthly basic service rates for residential customers ranged from $3.89 to $16.00, the Company's monthly expanded basic service rates for residential customers ranged from $13.87 to $22.55 and per-channel premium service rates (not including special promotions) ranged from $1.75 to $12.50 per service. For the three months ended March 31, 1998, on a pro forma basis, the weighted average price for the Company's monthly combined basic and expanded basic service was approximately $22.66.

A one-time installation fee, which the Company may wholly or partially waive during a promotional period, is usually charged to new customers. The Company charges monthly fees for converters and remote control tuning devices. The Company also charges administrative fees for delinquent payments for service. Customers are free to discontinue service at any time without additional charge in the majority of the systems and may be charged a reconnection fee to resume service. Commercial customers, such as hotels, motels and hospitals, are charged negotiated monthly fees and a non-recurring fee for the installation of service. Multiple dwelling unit accounts may be offered a bulk rate in exchange for single-point billing and basic service to all units.

In addition to customer fees, the Company derives a modest amount of revenue from the sale of local spot advertising time on locally originated and satellite-delivered programming. The Company also derives modest amounts of revenues from affiliations with home shopping services (which offer merchandise for sale to customers and compensate system operators with a percentage of their sales receipts).

The Company is an eligible "small cable company" under certain FCC rules, which enables it to utilize a simplified rate setting methodology for most of the Systems in establishing maximum rates for basic and expanded basic services. This methodology almost always results in rates which exceed those produced by the cost-of-service rules applicable to larger cable television operators. Approximately 82% of the basic subscribers served by the Systems are covered by such FCC rules. The Company believes that its rate practices are generally consistent with the current practices in the industry. See "Legislation and Regulation--Federal Regulation--Rate Regulation."

CUSTOMER SERVICE AND COMMUNITY RELATIONS

The Company is dedicated to providing superior customer service. The Company's plans to make significant system improvements are designed in part to strengthen customer service through greater system reliability and the introduction of new services. The Company seeks a high level of customer satisfaction by also employing a well-trained staff of customer service representatives and experienced field technicians. The Company's three regional calling centers offer 24-hour, 7-day per week coverage to over 75% of the Systems' customers on a toll-free basis. The Company believes customer service is also enhanced by the regional calling centers' ability to coordinate effectively technical service and installation appointments and to speed response to customer inquiries. The Company also believes that the regional calling center structure increases the effectiveness of its marketing campaigns.

In addition, the Company is dedicated to fostering strong community relations in the communities served by the Systems. The Company supports local charities and community causes through staged events and promotional campaigns. The Company also installs and provides free cable television service and Internet access to public schools, government buildings and not-for-profit hospitals in its franchise areas. The Company believes that its relations with the communities in which the Systems operate are generally good.

FRANCHISES

Cable television systems are generally operated under non-exclusive franchises granted by local governmental authorities. These franchises typically contain many conditions, such as: time limitations on commencement and completion of construction; conditions of service, including number of channels, types of programming and the provision of free service to schools and certain other public institutions; and the maintenance of insurance and indemnity bonds. The provisions of local franchises are subject to federal regulation under the Communications Act. See "Legislation and Regulation."

As of March 31, 1998, the Systems were subject to 309 franchises. These franchises, which are non-exclusive, provide for the payment of fees to the issuing authority. In most of the Systems, such franchise fees are passed through directly to the customers. The Cable Acts prohibit franchising authorities from imposing franchise fees in excess of 5% of gross revenue and also permit the cable television system operator to seek renegotiation and modification of franchise requirements if warranted by changed circumstances. See "Legislation and Regulation."

Substantially all of the Systems' basic subscribers are in service areas that require a franchise. The table below groups the franchises of the Systems by date of expiration and presents the approximate number and percentage of basic subscribers for each group of franchises as of March 31, 1998.

YEAR OF FRANCHISE EXPIRATION	NUMBER OF FRANCHISES	PERCENTAGE OF TOTAL FRANCHISES	NUMBER OF BASIC SUBSCRIBERS	PERCENTAGE OF TOTAL BASIC SUBSCRIBERS
1998 through 2001	88	28.5%	88,880	25.9%
2002 and thereafter	221	71.5	254,820	74.1
Total	309	100.0%	343,700	100.0%

The Cable Acts provide, among other things, for an orderly franchise renewal process in which franchise renewal will not be unreasonably withheld or, if renewal is denied and the franchising authority acquires ownership of the system or effects a transfer of the system to another person, the operator generally is entitled to the "fair market value" for the system covered by such franchise. In addition, the Cable Acts established comprehensive renewal procedures which require that an incumbent franchisee's renewal application be assessed on its own merits and not as part of a comparative process with competing applications. See "Legislation and Regulation."

The Company believes that it generally has good relationships with its franchising communities. The Company has never had a franchise revoked or failed to have a franchise renewed. In addition, all of the franchises of the Company eligible for renewal have been renewed or extended at or prior to their stated expirations, and no franchise community has refused to consent to a franchise transfer to the Company.

COMPETITION

Cable television systems face competition from alternative methods of distributing video programming and from other sources of news, information and entertainment such as off-air television broadcast programming, newspapers, movie theaters, live sporting events, interactive online computer services and home video products, including videotape cassette recorders. The extent to which a cable television system is competitive depends, in part, upon that system's ability to provide, at a reasonable price to customers, a greater variety of programming and other communications services than those which are available off-air or through other alternative delivery sources and upon superior technical performance and customer service.

Cable television systems generally operate pursuant to franchises granted on a nonexclusive basis. The 1992 Cable Act prohibits franchising authorities from unreasonably denying requests for additional franchises and permits franchising authorities to operate cable television systems. See "Legislation and Regulation." Well-financed businesses from outside the cable television industry (such as the public utilities that own the poles to which cable is attached) may become competitors for franchises or providers of competing services. See "Legislation and Regulation." Competition from other video service providers exists in areas served by the Company. In a limited number of the franchise areas served by the Systems, the Company faces direct competition from other franchised cable television operators. There can be no assurance, however, that additional cable television systems will not be constructed in other franchise areas of the Systems.

Cable television operators also face competition from private satellite master antenna television ("SMATV") systems that serve condominiums, apartment and office complexes and private residential developments. SMATV systems offer both improved reception of local television stations and many of the same satellite-delivered program services offered by franchised cable television systems. SMATV operators often enter into exclusive agreements with building owners or homeowners associations, although some states have enacted laws that authorize franchised cable television operators access to such private complexes. These laws have been challenged in the courts with varying results. In addition, some companies are developing and/or offering to these private residential and commercial developments packages of telephony, data and video services. Under the 1996 Telecom Act, SMATV systems can interconnect non-commonly owned buildings without having to comply with local, state and federal regulatory requirements that are imposed on cable television systems providing similar services, as long as they do not use public rights-of-way. For instance, while a franchised cable television system typically is obligated to extend service to all areas of a community regardless of population density or economic risk, a SMATV system may confine its operation to small areas that are easy to serve and are more likely to be profitable. The ability of the Company to compete for customers in residential and commercial developments served by SMATV operators is uncertain.

The FCC has recently allocated a sizable amount of spectrum in the 27-31 GHz band for use by a new wireless service, Local Multipoint Distribution Service ("LMDS"), which among other uses, can deliver over 100 channels of programming directly to consumers' homes. The FCC completed an auction of this spectrum to the public in March 1998, with cable television operators and local telephone companies restricted in their participation in this auction. The extent to which the winning licensees in this service will use this spectrum in particular regions of the country to deliver multichannel video programming and other services to subscribers, and therefore provide competition to franchises cable television systems, is uncertain at this time.

Individuals presently have the option to purchase earth stations, which allow the direct reception of satellite-delivered broadcast and non-broadcast program services formerly available only to cable television subscribers. Most satellite-distributed program signals are electronically scrambled so as to permit reception only with authorized decoding equipment for which the consumer must pay a fee. The 1992 Cable Act enhances the right of satellite distributors and other competitors to purchase non-broadcast satellite-delivered programming. The fastest growing method of satellite distribution is by high-powered direct broadcast satellites (DBS) utilizing video compression technology. This technology has the capability of providing more than 100 channels of programming over a single high- powered DBS satellite with significantly higher capacity available if multiple satellites are placed in the same orbital position. DBS service can be received virtually anywhere in the United States through the installation of a small rooftop or side-mounted antenna. DBS service is presently being heavily marketed on a nationwide basis by three service providers. The 1996 Telecom Act and FCC regulations preempt certain local restrictions on the location and use of DBS and other satellite receiver dishes.

DBS systems currently have certain advantages over cable television systems with respect to programming and digital quality, as well as disadvantages that include high upfront costs and a lack of local programming, service and equipment distribution. One DBS provider, EchoStar, has announced plans to offer some local signals in a limited number of markets. A review by the U.S. Copyright Office is underway to determine if such offerings are permissible under the copyright law. In addition, legislation has been introduced in Congress to include carriage of local signals by DBS providers under the copyright law. The ability of DBS to deliver local signals would eliminate a significant advantage that cable television operators currently have over DBS providers. The Company will magnify its competitive service price points and seek to maintain programming parity with DBS by selectively increasing channel capacities of the Systems to between 54 and 78 channels and introducing new premium channels, pay-per-view and other services.

Cable television systems also compete with wireless program distribution services such as MMDS, which uses low power microwave frequencies to transmit video programming over the air to customers. Wireless distribution services generally provide many of the programming services provided by cable television systems, and digital compression technology is likely to increase significantly the channel capacity of their systems. MMDS service requires unobstructed "line of sight" transmission paths. In the majority of the Company's franchise service areas, prohibitive topography and "line of sight" access have and are likely to continue to limit competition from MMDS systems. Moreover, in the majority of the Company's franchise areas, MMDS operators face significant barriers to growth since the lower population densities make these areas less attractive. The Company is not aware of any significant MMDS operation currently within its cable television franchise service areas. However, Wireless One, Inc., an MMDS operator, does compete in five market areas in the Southeast Region. The Company estimates that Wireless One's overall penetration in these markets is less than 1.5%. The Company is not aware of any other MMDS operator in any of its other markets.

The 1996 Telecom Act makes it easier for local exchange carriers ("LECs") and others to provide a wide variety of video services competitive with services provided by cable television systems and to provide cable television services directly to subscribers. For example, telephone companies may now provide video programming directly to their subscribers in their telephone service territory, subject to certain regulatory requirements. See "Legislation and Regulation." Various LECs currently are providing video programming services within and outside their telephone service areas through a variety of distribution methods, including both the deployment of broadband wire facilities and the use of wireless transmission facilities. Cable television systems could be placed at a competitive disadvantage if the delivery of video programming services by LECs becomes widespread, since LECs are not required, under certain circumstances, to obtain local franchises to deliver such video services or to comply with the variety of obligations imposed upon cable television systems under such franchises. Issues of cross-subsidization by LECs of video and telephony services also pose strategic disadvantages for cable television operators seeking to compete with LECs that provide video services. The Company cannot predict the likelihood of success of video service ventures by LECs or the impact on the Company of such competitive ventures. The Company believes, however, that the non-metropolitan markets in which it provides or expects to provide cable television services are unlikely to support competition in the provision of video and telecommunications broadband services given the lower population densities and higher capital costs per household of installing plant. The 1996 Telecom Act's provision promoting facilities-based broadband competition is primarily targeted at larger markets, and its prohibition on buy-outs and joint ventures between incumbent cable television operators and LECs exempts small cable television operators and carriers meeting certain criteria. See "Legislation and Regulation." The Company believes that significant growth opportunities exist for the Company by establishing cooperative rather than competitive relationships with LECs within its service areas, to the extent permitted by law.

Other new technologies, including Internet-based services, may become competitive with services that cable television systems can offer. The 1996 Telecom Act directed the FCC to establish, and the FCC has adopted, regulations and policies for the issuance of licenses for digital television ("DTV") to incumbent television broadcast licensees. DTV is expected to deliver high definition television pictures, multiple digital-quality program streams, as well as CD-quality audio programming and advanced digital services, such as data transfer or subscription video. The FCC also has authorized television broadcast stations to transmit textual and graphic information useful both to consumers and businesses. The FCC also permits commercial and noncommercial FM stations to use their subcarrier frequencies to provide nonbroadcast services including data transmissions. The FCC established an over-the-air Interactive Video and Data Service that will permit two-way interaction with commercial and educational programming along with informational and data services. LECs and other common carriers provide facilities for the transmission and distribution to homes and businesses of video services, including interactive computer-based services like the Internet, data and other nonvideo services.

The 1996 Telecom Act provides that registered utility holding companies and their subsidiaries may provide telecommunications services (including cable television) notwithstanding the Public Utilities Holding Company Act of 1935, as amended. Electric utilities must establish separate subsidiaries known as "exempt telecommunications companies" and must apply to the FCC for operating authority. Due to their resources, electric utilities could be formidable competitors to traditional cable television systems.

Advances in communications technology as well as changes in the marketplace and the regulatory and legislative environments are constantly occurring. Thus, it is not possible to predict the effect that ongoing or future developments might have on the cable industry or on the operations of the Company.

EMPLOYEES

Other than the Executive Officers named under "Management" below, the Issuers have no employees. As of May 29, 1998, the Subsidiaries had approximately 621 full-time equivalent employees. None of the Company's employees is represented by a labor union. The Company considers its relations with its employees to be good.

PROPERTIES

The Company's principal physical assets consist of cable television operating plant and equipment, including signal receiving, encoding and decoding devices, headends and distribution systems and customer house drop equipment for each of its cable television systems. The signal receiving apparatus typically includes a tower, antenna, ancillary electronic equipment and earth stations for reception of satellite signals. Headends, consisting of associated electronic equipment necessary for the reception, amplification and modulation of signals, are located near the receiving devices. Some basic subscribers of the Systems utilize converters that can be addressed by sending coded signals from the headend facility over the cable network. See "--Technological Developments" above. The Company's distribution system consists primarily of coaxial and fiber optic cables and related electronic equipment.

The Company owns or leases parcels of real property for signal reception sites (antenna towers and headends), microwave facilities and business offices, and owns all of its service vehicles. The

Company believes that its properties, both owned and leased, are in good condition and are suitable and adequate for the Company's operations.

The Company's cables generally are attached to utility poles under pole rental agreements with local public utilities, although in some areas the distribution cable is buried in underground ducts or trenches. The physical components of the Systems require periodic upgrading to improve system performance and capacity.

LEGAL PROCEEDINGS

There are no material pending legal proceedings to which the Company is a party or to which any of its properties are subject.

LEGISLATION AND REGULATION

The cable television industry is regulated by the FCC, some state governments and substantially all local governments. In addition, various legislative and regulatory proposals under consideration from time to time by the Congress and various federal agencies have in the past, and may in the future, materially affect the Company and the cable television industry. The following is a summary of federal laws and regulations materially affecting the growth and operation of the cable television industry and a description of certain state and local laws. The Company believes that the regulation of its industry remains a matter of interest to Congress, the FCC and other regulatory authorities. There can be no assurance as to what, if any, future actions such legislative and regulatory authorities may take or the effect thereof on the Company.

FEDERAL LEGISLATION

The principal federal statute governing the cable television industry is the Communications Act. As it affects the cable television industry, the Communications Act has been significantly amended on three occasions, by the 1984 Cable Act, the 1992 Cable Act and the 1996 Telecom Act. The 1996 Telecom Act altered the regulatory structure governing the nation's telecommunications providers. It removed barriers to competition in both the cable television market and the local telephone market. Among other things, it also reduced the scope of cable rate regulation. In addition, the 1996 Telecom Act required the FCC to undertake a host of rulemakings to implement the 1996 Telecom Act, the final outcome of which cannot yet be determined.

FEDERAL REGULATION

The FCC, the principal federal regulatory agency with jurisdiction over cable television, has adopted regulations covering such areas as cross-ownership between cable television systems and other communications businesses, carriage of television broadcast programming, cable rates, consumer protection and customer service, leased access, indecent programming, programmer access to cable television systems, programming agreements, technical standards, consumer electronics equipment compatibility, ownership of home wiring, program exclusivity, equal employment opportunity, consumer education and lockbox enforcement, origination cablecasting and sponsorship identification, children's programming, signal leakage and frequency use, maintenance of various records, and antenna structure notification, marking and lighting, The FCC has the authority to enforce these regulations through the imposition of substantial fines, the issuance of cease and desist orders and/or the imposition of other administrative sanctions, such as the revocation of FCC licenses needed to operate certain transmission facilities often used in connection with cable operations. A brief summary of certain of these federal regulations as adopted to date follows.

Rate Regulation

The 1984 Cable Act codified existing FCC preemption of rate regulation for premium channels and optional nonbasic program tiers. The 1984 Cable Act also deregulated basic cable rates for cable television systems determined by the FCC to be subject to effective competition. The 1992 Cable Act substantially changed the previous statutory and FCC rate regulation standards. The 1992 Cable Act replaced the FCC's old standard for determining effective competition, under which most cable television systems were not subject to local rate regulation, with a statutory provision that resulted in nearly all cable television systems becoming subject to local rate regulation of basic service. The 1996 Telecom Act expands the definition of effective competition to cover situations where a local telephone company or its affiliate, or any multichannel video provider using telephone company facilities, offers comparable video service by any means except DBS. Satisfaction of this test deregulates both basic and nonbasic tiers. Additionally, the 1992 Cable Act required the FCC to adopt a formula, for franchising authorities to implement to assure that basic cable rates are reasonable; allowed the FCC to review rates for cable programming service tiers ("CPST") (other than per-channel or per-program services) in response to complaints filed by franchising authorities and/or cable customers; prohibited cable television systems from requiring basic subscribers to purchase service tiers above basic service in order to purchase premium services if the system is technically capable of doing so; required the FCC to adopt regulations to establish, on the basis of actual costs, the price for installation of cable service, remote controls, converter boxes and additional outlets; and allowed the FCC to impose restrictions on the retiering and rearrangement of cable services under certain limited circumstances. The 1996 Telecom Act limits the class of complainants regarding CPST rates to franchising authorities only, after first receiving two rate complaints from local subscribers, and ends FCC regulation of CPST rates immediately for small systems owned by small cable operators and on March 31, 1999 for all other cable television systems.

The FCC's implementing regulations contain standards for the regulation of basic service and CPST rates (other than per-channel or per-program services). Local franchising authorities and the FCC, respectively, are empowered to order a reduction of existing rates which exceed the maximum permitted level for basic and CPST services and associated equipment, and refunds can be required. The FCC adopted a benchmark price cap system for measuring the reasonableness of existing basic service and CPST rates. Alternatively, cable operators have the opportunity to make cost-of-service showings which, in some cases, may justify rates above the applicable benchmarks. The rules also require that charges for cable-related equipment (e.g., converter boxes and remote control devices) and installation services be unbundled from the provision of cable service and based upon actual costs plus a reasonable profit. The regulations also provide that future rate increases may not exceed an inflation-indexed amount, plus increases in certain costs beyond the cable operator's control, such as taxes, franchise fees and increased programming costs. Cost-based adjustments to these capped rates can also be made in the event a cable television operator adds or deletes channels. In addition, new product tiers consisting of services new to the cable television system can be created free of rate regulation as long as certain conditions are met such as not moving services from existing tiers to the new tier. There is also a streamlined cost-of-service methodology available to justify a rate increase on basic and regulated CPST tiers for "significant" system rebuilds or upgrades.

As a further alternative, in 1995 the FCC adopted a simplified cost-of-service methodology which can be used by "small cable systems" owned by "small cable companies" (the "small system rules"). A "small system" is defined as a cable television system which has, on a headend basis, 15,000 or fewer basic subscribers. A "small cable company" is defined as an entity serving a total of 400,000 or fewer basic subscribers that is not affiliated with a larger cable television company, (i.e., a larger cable television company does not own more than a 20 percent equity share or exercise de jure control). This small system rate-setting methodology establishes maximum rates for the basic and CPST services, as well as for installation and equipment charges. This methodology almost always results in rates which exceed those produced by the cost-of-service rules applicable to larger cable television operators. Under this simplified cost-of-service methodology, a small cable company's rate showing is presumed reasonable so long as the aggregate monthly per-subscriber, per-channel charge for all regulated services does not exceed $1.24. Once the initial rates are set they can be adjusted periodically for inflation and external cost changes as described above. When an eligible "small system" grows larger than 15,000 basic subscribers, it can maintain its then current rates but it cannot increase its rates in the normal course until an increase would be warranted under the rules applicable to other systems. When a "small cable company" grows larger than 400,000 basic subscribers, the qualified systems it then owns will not lose their small system eligibility. If a small cable company sells a qualified system, or if the company itself is sold, the qualified systems retain that status even if the acquiring company is not a small cable company. The Company is an eligible "small cable company" under these rules because it has fewer than 400,000 basic subscribers and is not affiliated with another MSO that would bring it over that limit. Approximately 82% of the basic subscribers served by the Systems are covered by the small system rules.

The 1996 Telecom Act provides for immediate deregulation of the CPST (or the basic tier if that was the only tier being offered as of December 31, 1994) for small cable television systems owned by "small cable operators" (the "1996 Rules"). An eligible small system is one where the cable television operator does not serve more than 50,000 basic subscribers in any one franchise area (as opposed to the system size definition used in the 1995 rules). An eligible small cable operator is one which does not serve, directly or through an affiliate, one percent or more of basic subscribers nationwide and is not affiliated with any entity or entities whose gross annual revenues aggregate more than $250 million. The FCC has proposed in a pending rulemaking proceeding to use the same affiliation standard (i.e., 20 percent ownership) in the 1996 Rules as it uses for the small system rules. If the FCC were to adopt this rule as proposed, the Company would not be eligible for immediate deregulation of the CPST under the 1996 Telecom Act because an investor in the Company owns more than 20 percent of the Company and that investor has in excess of $250 million in annual revenues. The FCC has concluded that its small system rules and the 1996 Rules will coexist.

Finally, there are regulations which require cable television systems to permit customers to purchase video programming on a per channel or a per program basis without the necessity of subscribing to any tier of service, other than the basic service tier, unless the cable television system is technically incapable of doing so. Generally, this exemption from compliance with the statute for cable television systems that do not have such technical capability is available until a cable television system obtains the capability, but not later than December 2002.

Carriage of Broadcast Television Signals

The 1992 Cable Act contains signal carriage requirements which allow commercial television broadcast stations that are "local" to a cable television system, (i.e., the system is located in the station's Area of Dominant Influence) to elect every three years whether to require the cable television system to carry the station, subject to certain exceptions, or whether the cable television system will have to negotiate for "retransmission consent" to carry the station. The next election between must-carry and retransmission consent will be October 1, 1999. A cable television system is generally required to devote up to one-third of its activated channel capacity for the carriage of local commercial television stations whether pursuant to mandatory carriage requirements or retransmission consent requirements of the 1992 Cable Act. Local non-commercial television stations are also given mandatory carriage rights, subject to certain exceptions, within the larger of: (i) a 50 mile radius from the station's city of license; or (ii) the station's Grade B contour (a measure of signal strength). Unlike commercial stations, noncommercial stations are not given the option to negotiate retransmission consent for the carriage of their signal. In addition, cable television systems have to obtain retransmission consent for the carriage of all "distant" commercial broadcast stations, except for certain "superstations" (i.e., commercial satellite-delivered independent stations such as WGN). To date, compliance with the "retransmission consent" and "must carry" provisions of the 1992 Cable Act has not had a material effect on the Company, although this result may change in the future depending on such factors as market conditions, channel capacity and similar matters when such arrangements are renegotiated. The FCC will soon initiate a rulemaking proceeding on the carriage of television signals in high definition and digital formats. The outcome of this proceeding could have a material effect on the number of services that a cable operator will be required to carry.

Franchise Fees

Although franchising authorities may impose franchise fees under the 1984 Cable Act, such payments cannot exceed 5% of a cable television system's annual gross revenues. Under the 1996 Telecom Act, franchising authorities may not exact franchise fees from revenues derived from telecommunications services although they may be able to exact some additional compensation for the use of public rights-of-way. Franchising authorities are also empowered in awarding new franchises or renewing existing franchises to require cable television operators to provide cable-related facilities and equipment and to enforce compliance with voluntary commitments. In the case of franchises in effect prior to the effective date of the 1984 Cable Act, franchising authorities may enforce requirements contained in the franchise relating to facilities, equipment and services, whether or not cable-related. The 1984 Cable Act, under certain limited circumstances, permits a cable operator to obtain modifications of franchise obligations.

Renewal of Franchises

The 1984 Cable Act established renewal procedures and criteria designed to protect incumbent franchisees against arbitrary denials of renewal. While these formal procedures are not mandatory unless timely invoked by either the cable television operator or the franchising authority, they can provide substantial protection to incumbent franchisees. Even after the formal renewal procedures are invoked, franchising authorities and cable television operators remain free to negotiate a renewal outside the formal process. Nevertheless, renewal is by no means assured, as the franchisee must meet certain statutory standards. Even if a franchise is renewed, a franchising authority may impose new and more onerous requirements such as upgrading facilities and equipment, although the municipality must take into account the cost of meeting such requirements. Historically, franchises have been renewed for cable television operators that have provided satisfactory services and have complied with the terms of their franchises. At this time, the Company is not aware of any current or past material failure on its part to comply with its franchise agreements. The Company believes that it has generally complied with the terms of its franchises and has provided quality levels of service.

The 1992 Cable Act makes several changes to the process under which a cable television operator seeks to enforce his renewal rights which could make it easier in some cases for a franchising authority to deny renewal. Franchising authorities may consider the "level" of programming service provided by a cable television operator in deciding whether to renew. For alleged franchise violations occurring after December 29, 1984, franchising authorities are no longer precluded from denying renewal based on failure to substantially comply with the material terms of the franchise where the franchising authority has "effectively acquiesced" to such past violations. Rather, the franchising authority is estopped if, after giving the cable television operator notice and opportunity to cure, it fails to respond to a written notice from the cable television operator of its failure or inability to cure. Courts may not reverse a denial of renewal based on procedural violations found to be "harmless error."

Channel Set-Asides

The 1984 Cable Act permits local franchising authorities to require cable television operators to set aside certain television channels for public, educational and governmental access programming. The 1984 Cable Act further requires cable television systems with thirty-six or more activated channels to designate a portion of their channel capacity for commercial leased access by unaffiliated third parties to provide programming that may compete with services offered by the cable television operator. The 1992 Cable Act requires leased access rates to be set according to a formula determined by the FCC. The leased access rules, which were recently modified by the FCC to provide for lower rates, are being appealed to establish even lower rates for access. If this appeal is successful, the Company's control over its channel line-up would be reduced and the quality of that line-up might decline.

Ownership

The 1996 Telecom Act repealed the statutory ban against local exchange telephone companies ("LECs") providing video programming directly to customers within their local exchange telephone service areas. Thus, under the 1996 Telecom Act and FCC rules recently adopted to implement the 1996 Telecom Act, LECs may now provide video service as broadcasters, common carriers, or cable operators. In addition, LECs and others may also provide video service through "open video systems"

("OVS"), a regulatory regime that may give them more flexibility than traditional cable television systems. OVS operators (including LECs) may operate open video systems without obtaining a local cable franchise, although they can be required to make payments to local governmental bodies in lieu of cable franchise fees. In general, OVS operators must make their systems available to programming providers on rates, terms and conditions that are reasonable and nondiscriminatory. Where carriage demand by programming providers exceeds the channel capacity of an open video system, two-thirds of the channels must be made available to programmers unaffiliated with the OVS operator.

The 1996 Telecom Act generally prohibits LECs from purchasing cable television systems (i.e, any ownership interest exceeding 10%) located within the LEC's telephone service area, prohibits cable operators from purchasing LECs whose service areas are located within the cable operator's franchise area, and prohibits joint ventures between operators of cable television systems and LECs operating in overlapping markets. There are some statutory exceptions, including a rural exemption that permits buyouts in which the purchased cable television system or LEC serves a non-urban area with fewer than 35,000 inhabitants, and exemptions for the purchase of small cable television systems located in non-urbanized areas. Also, the FCC may grant waivers of the buyout provisions in cases where: (i) the operator of a cable television system or the LEC would be subject to undue economic distress if such provisions were enforced; (ii) the system or facilities would not be economically viable in the absence of a buyout or a joint venture; or (iii) the anticompetitive effects of the proposed transaction are clearly outweighed by the transaction's effect in light of community needs. The respective local franchising authority must approve any such waiver.

Pursuant to the 1992 Cable Act, the FCC has imposed limits on the number of cable television systems which a single cable television operator can own. In general, no cable television operator can have an attributable interest in cable television systems which pass more than 30% of all homes nationwide. Attributable interests for these purposes include voting interests of 5% or more (unless there is another single holder of more than 50% of the voting stock), officerships, directorships and general partnership interests. The FCC has stayed the effectiveness of these rules pending the outcome of petitions for reconsideration and the appeal from the U.S. District Court decision holding the multiple ownership limit provision of the 1992 Cable Act unconstitutional.

The FCC has also adopted rules which limit the number of channels on a cable television system which can be occupied by national video programming services in which the entity which owns the cable television system has an attributable interest. The limit is 40% of the first 75 activated channels.

The 1996 Telecom Act provides that registered utility holding companies and subsidiaries may provide telecommunications services (including cable television) notwithstanding the Public Utilities Holding Company Act of 1935, as amended. Electric utilities must establish separate subsidiaries known as "exempt telecommunications companies" and must apply to the FCC for operating authority. Due to their resources, electric utilities could be formidable competitors to traditional cable television systems.

EEO

The 1984 Cable Act includes provisions to ensure that minorities and women are provided equal employment opportunities within the cable television industry. The statute requires the FCC to adopt reporting and certification rules that apply to all cable television system operators with more than five full-time employees. Pursuant to the requirements of the 1992 Cable Act, the FCC has imposed more detailed annual EEO reporting requirements on cable operators and has expanded those requirements to all multichannel video service distributors. Failure to comply with the EEO requirements can result in the imposition of fines and/or other administrative sanctions, or may, in certain circumstances, be cited by a franchising authority as a reason for denying a franchisee's renewal request.

Privacy

The 1984 Cable Act imposes a number of restrictions on the manner in which cable television operators can collect and disclose data about individual system customers. The statute also requires that the system operator periodically provide all customers with written information about its policies regarding the collection and handling of data about customers, their privacy rights under federal law and their enforcement rights. In the event that a cable television operator were found to have violated the customer privacy provisions of the 1984 Cable Act, it could be required to pay damages, attorneys' fees and other costs. Under the 1992 Cable Act, the privacy requirements were strengthened to require that cable television operators take such actions as are necessary to prevent unauthorized access to personally identifiable information.

Franchise Transfers

The 1992 Cable Act requires franchising authorities to act on any franchise transfer request within 120 days after receipt of all information required by FCC regulations and by the franchising authority. Approval is deemed to be granted if the franchising authority fails to act within such period.

Technical Requirements

The FCC has imposed technical standards applicable to all classes of channels which carry downstream National Television System Committee (NTSC) video programming. The FCC also has adopted additional standards applicable to cable television systems using frequencies in the 108-137MHz and 225-400MHz bands in order to prevent harmful interference with aeronautical navigation and safety radio services and has also established limits on cable television system signal leakage. Periodic testing by cable television operators for compliance with the technical standards and signal leakage limits is required and an annual filing of the results of these measurements is required. The 1992 Cable Act requires the FCC to periodically update its technical standards to take into account changes in technology. Under the 1996 Telecom Act, local franchising authorities may not prohibit, condition or restrict a cable television system's use of any type of subscriber equipment or transmission technology.

The FCC has adopted regulations to implement the requirements of the 1992 Cable Act designed to improve the compatibility of cable television systems and consumer electronics equipment. These regulations, inter alia, generally prohibit cable television operators from scrambling their basic service tier and from changing the infrared codes used in their existing customer premises equipment. This latter requirement could make it more difficult or costly for cable television operators to upgrade their customer premises equipment and the FCC has been asked to reconsider its regulations. The 1996 Telecom Act directs the FCC to set only minimal standards to assure compatibility between television sets, VCRs and cable television systems, and to rely on the marketplace. Pursuant to this statutory mandate, the FCC has adopted rules to assure the competitive availability to consumers of customer premises equipment, such as converters, used to access the services offered by cable television systems and other multichannel video programming distributors ("MVPD"). Pursuant to those rules, consumers are given the right to attach compatible equipment to the facilities of their MVPD so long as the equipment does not harm the network, does not interfere with the services purchased by other customers, and is not used to receive unauthorized services. As of July 1, 2000, MVPDs (other than DBS operators) are required to separate security from non-security functions in the customer premises equipment which they sell or lease to their customers and offer their customers the option of using component security modules obtained from the MVPD with set-top units purchased or leased from retail outlets. As of January 1, 2005, MVPDs will be prohibited from distributing new set-top equipment integrating both security and non-security functions to their customers.

Pursuant to the 1992 Cable Act, the FCC has adopted rules implementing an Emergency Alert System ("EAS"). The rules require all cable television systems to provide an audio and video EAS message on at least one programmed channel and a video interruption and an audio alert message on all programmed channels. The audio alert message is required to state which channel is carrying the full audio and video EAS message. The FCC rules permit cable television systems either to provide a separate means of alerting persons with hearing disabilities of EAS messages, such as a terminal that displays EAS messages and activates other alerting mechanisms or lights, or to provide audio and video EAS messages on all channels. Cable television systems with 10,000 or more basic subscribers per headend will be required to install EAS equipment capable of providing audio and video EAS messages on all programmed channels by December 31, 1998. Cable television systems with 5,000 or more but fewer than 10,000 basic subscribers per headend will have until October 1, 2002 to comply with that requirement. Cable television systems with fewer than 5,000 basic subscribers per headend will have a choice of providing either a national level EAS message on all programmed channels or installing EAS equipment capable of providing audio alert messages on all programmed channels, a video interrupt on all channels, and an audio and video EAS message on one programmed channel. This must be accomplished by October 1, 2002.

Pole Attachments

The FCC currently regulates the rates and conditions imposed by investor-owned public utilities for use of their poles and conduits unless state public service commissions are able to demonstrate that they adequately regulate the rates, terms and conditions of cable television pole attachments. A number of states and the District of Columbia have certified to the FCC that they adequately regulate the rates, terms and conditions for pole attachments. Of the states in which the Company operates, California, Delaware and Kentucky have made such certification. In the absence of state regulation, the FCC administers such pole attachment and conduit use rates through use of a formula which it has devised. Pursuant to the 1996 Telecom Act, the FCC has adopted a new rate formula for any attaching party, including cable television systems, which offer telecommunications services. This new formula will result in higher attachment rates than at present, but they will apply only to cable television systems which elect to offer telecommunications services. Any increases pursuant to this new formula will not begin until 2001, and will be phased in by equal increments over the five ensuing years. The FCC has also initiated a proceeding to determine whether it should adjust certain elements of the current rate formula. If adopted, these adjustments could increase rates for pole attachments and conduit space.

Other FCC Matters

FCC regulation pursuant to the Communications Act also includes matters regarding a cable television system's carriage of local sports programming; restrictions on origination and cablecasting by cable television operators; rules governing political broadcasts; nonduplication of network programming; deletion of syndicated programming; registration procedure and reporting requirements; customer service; closed captioning; obscenity and indecency; program access and exclusivity arrangements; and limitations on advertising contained in nonbroadcast children's programming.

The FCC recently adopted new procedural guidelines governing the disposition of home run wiring (a line running to an individual subscriber's unit from a common feeder or riser cable) in multi-dwelling units ("MDUs"). MDU owners can use these new rules to attempt to force cable television operators without contracts to either sell, abandon or remove home run wiring and terminate service to MDU subscribers unless operators retain rights under common or state law to maintain ownership rights in the home run wiring.

The 1996 Telecom Act requires video programming distributors to employ technology to restrict the reception of programming by persons not subscribing to those channels. In the case of channels primarily dedicated to sexually-oriented programming, the distributor must fully block reception of the audio and video portion of the channels; a distributor that is unable to comply with this requirement may only provide such programming during a "safe harbor" period when children are not likely to be in the audience, as determined by the FCC. With respect to other kinds of channels, the 1996 Telecom Act requires that the audio and video portions of the channel be fully blocked, at no charge, upon request of the person not subscribing to the channel.

Copyright

Cable television systems are subject to federal copyright licensing covering carriage of broadcast signals. In exchange for making semi-annual payments to a federal copyright royalty pool and meeting certain other obligations, cable television operators obtain a statutory license to retransmit broadcast signals. The amount of this royalty payment varies, depending on the amount of system revenues from certain sources, the number of distant signals carried, and the location of the cable television system with respect to over-the-air television stations. Any future adjustment to the copyright royalty rates will be done through an arbitration process to be supervised by the U.S. Copyright Office. Cable television operators are liable for interest on underpaid and unpaid royalty fees, but are not entitled to collect interest on refunds received for overpayment of copyright fees.

Various bills have been introduced into Congress over the past several years that would eliminate or modify the cable television compulsory license. Without the compulsory license, cable television operators would have to negotiate rights from the copyright owners for all of the programming on the broadcast stations carried by cable television systems. Such negotiated agreements would likely increase the cost to cable television operators of carrying broadcast signals. The 1992 Cable Act's retransmission consent provisions expressly provide that retransmission consent agreements between television broadcast stations and cable television operators do not obviate the need for cable operators to obtain a copyright license for the programming carried on each broadcaster's signal.

Copyrighted music performed in programming supplied to cable television systems by pay cable networks (such as HBO) and basic cable networks (such as USA Network) is licensed by the networks through private agreements with the American Society of Composers and Publishers ("ASCAP") and BMI, Inc. ("BMI"), the two major performing rights organizations in the United States. As a result of extensive litigation, both ASCAP and BMI now offer "through to the viewer" licenses to the cable networks which cover the retransmission of the cable networks' programming by cable television systems to their customers.

Licenses to perform copyrighted music by cable television systems themselves, including on local origination channels, in advertisements inserted locally on cable television networks, and in cross promotional announcements, must be obtained by the cable television operator. Cable television industry negotiations with ASCAP, BMI and SESAC, Inc. (a smaller performing rights organization) are in progress.

STATE AND LOCAL REGULATION

Cable television systems generally are operated pursuant to nonexclusive franchises, permits or licenses granted by a municipality or other state or local government entity. The terms and conditions of franchises vary materially from jurisdiction to jurisdiction, and even from city to city within the same state, historically ranging from reasonable to highly restrictive or burdensome. Franchises generally contain provisions governing fees to be paid to the franchising authority, length of the franchise term, renewal, sale or transfer of the franchise, territory of the franchise, design and technical performance of the system, use and occupancy of public streets and number and types of cable television services provided. The terms and conditions of each franchise and the laws and regulations under which it was granted directly affect the profitability of the cable television system. The 1984 Cable Act places certain limitations on a franchising authority's ability to control the operation of a cable television system. The 1992 Cable Act prohibits exclusive franchises, and allows franchising authorities to exercise greater control over the operation of franchised cable television systems, especially in the area of customer service and rate regulation. The 1992 Cable Act also allows franchising authorities to operate their own multichannel video distribution system without having to obtain a franchise and permits states or local franchising authorities to adopt certain restrictions on the ownership of cable television systems. Moreover, franchising authorities are immunized from monetary damage awards arising from regulation of cable television systems or decisions made on franchise grants, renewals, transfers and amendments. The 1996 Telecom Act prohibits a franchising authority from either requiring or limiting a cable television operator's provision of telecommunications services.

Various proposals have been introduced at the state and local levels with regard to the regulation of cable television systems, and a number of states have adopted legislation subjecting cable television systems to the jurisdiction of centralized state governmental agencies, some of which impose regulation of a character similar to that of a public utility. To date, other than Delaware, no state in which the Company currently operates has enacted state level regulation.

The foregoing does not purport to describe all present and proposed federal, state and local regulations and legislation relating to the cable television industry. Other existing federal regulations, copyright licensing and, in many jurisdictions, state and local franchise requirements, currently are the subject of a variety of judicial proceedings, legislative hearings and administrative and legislative proposals which could change, in varying degrees, the manner in which cable television systems operate. Neither the outcome of these proceedings nor their impact upon the cable television industry or the Company can be predicted at this time.

MANAGEMENT

The following table sets forth certain information concerning the executive officers of Mediacom (the "Executive Officers"), none of whom are compensated by the Company for their respective services to the Company. The Executive Officers are instead compensated by Mediacom Management which receives management fees pursuant to management agreements with the Company. All such Executive Officers hold the same positions in Mediacom Management and the Subsidiaries. Mr. Commisso is also the sole manager of Mediacom (the "Manager") pursuant to the Operating Agreement, and the President and sole Director of Mediacom Management and Mediacom Capital. Mr. Stephan is also the Treasurer and Secretary of Mediacom Capital. Mr. Commisso and Mr. Stephan are members of the Executive Committee (as defined) of Mediacom, for which Mr. Commisso acts as Chairman.

EXECUTIVE OFFICERS

NAME	AGE	POSITION
Rocco B. Commisso........	48	Chairman and Chief Executive Officer
Mark E. Stephan..........	41	Senior Vice President, Chief Financial Officer and Treasurer
Joseph Van Loan..........	56	Senior Vice President-Technology
Italia Commisso Weinand..	44	Senior Vice President-Programming and Human Resources and Secretary
John G. Pascarelli.......	36	Vice President-Marketing
Brian M. Walsh...........	32	Vice President and Controller

The following table sets forth information concerning persons who hold key operating management positions within the Subsidiaries of the Company.

FIELD MANAGEMENT

NAME	AGE	POSITION
James M. Carey...........	47	Senior Vice President-Operations of Mediacom Southeast
Gene E. Brock............	55	Regional Manager-Southeast Region
Richard L. Hale..........	49	Regional Manager-Central Region
Frederick D. Lord........	42	Regional Manager-Western Region
Donald E. Zagorski.......	39	General Manager-Lower Delaware Cluster

ROCCO B. COMMISSO has over 20 years of experience with the cable television industry and has served as the Chairman and Chief Executive Officer since founding Mediacom in July 1995. From August 1986 to March 1995, Mr. Commisso served as Executive Vice President, Chief Financial Officer and Director of Cablevision Industries Corporation ("CVI"). At the time of Mr. Commisso's arrival, CVI was a regional cable company serving less than 300,000 basic subscribers in four states. During his tenure, CVI completed 40 acquisitions of cable television systems with an aggregate value exceeding $1.2 billion. Mr. Commisso was directly responsible for all aspects of CVI's financing activities, including the completion of over 35 separate financing transactions with aggregate capital commitments exceeding $5.0 billion.

Prior to that time, Mr. Commisso served as Senior Vice President of Royal Bank of Canada's affiliate in the United States from 1981 where he founded and directed a specialized lending group to manage the bank's lending activities to media and communications companies. Mr. Commisso began his association with the cable television industry in 1978 at The Chase Manhattan Bank, where he was assigned to manage the bank's lending activities to communications firms including the nascent cable television industry. Mr. Commisso holds a Bachelor of Science in Industrial Engineering and a Masters of Business Administration from Columbia University.

MARK E. STEPHAN has 11 years of experience with the cable television industry and has served as the Senior Vice President, Chief Financial Officer and Treasurer since March 1996. Previously, Mr. Stephan served as Vice President, Finance for CVI from July 1993 to February 1996. From 1987 to June 1993, he served for six years as Manager of the telecommunications and media lending group of Royal Bank of Canada where he engaged in financing activities for the cable television, wireless telecommunications and diversified media industries. Mr. Stephan holds a Bachelor of Science in Economics from Colorado State University.

JOSEPH VAN LOAN has 22 years of experience in the cable television industry and has served as the Senior Vice President-Technology since November 1996. Previously, Mr. Van Loan served as Senior Vice President of Engineering for CVI from 1990. From 1988 to 1990, he managed a private telecommunications consulting practice specializing in domestic and international cable television and broadcasting. Prior to that time, Mr. Van Loan served as Vice President of Engineering for Viacom Cable from 1976 to 1988. Mr. Van Loan received the 1986 Vanguard Award for Science and Technology from the National Cable Television Association. Mr. Van Loan holds a Bachelor of Science in Electrical Engineering from California State Polytechnic University.

ITALIA COMMISSO WEINAND has 20 years of experience in the cable television industry and has served as the Senior Vice President-Programming and Human Resources and Secretary since February 1998. Ms. Weinand joined the Company in April 1996 as Vice President-Operations. Previously, she served as System Manager and Regional Manager for Comcast Corporation from July 1985 to June 1997. Ms. Weinand held various management positions in system operations, marketing, customer service, and government relations with Time Warner Inc., Times Mirror Cable, and Tele-Communications, Inc. from June 1978 to July 1985. Ms. Weinand holds a Bachelor of Science in Marketing from Fordham University. Ms. Weinand is the sister of Mr. Commisso.

JOHN G. PASCARELLI has 18 years of experience in the cable television industry and joined the Company as Vice President-Marketing in March 1998. Previously, Mr. Pascarelli served as Vice President of Marketing for Helicon Corporation from January 1996 to February 1998, and as Corporate and Divisional Director of Marketing for CVI from November 1988 to December 1995. Mr. Pascarelli has worked in the cable television industry since 1980 when he joined Continental Cablevision as a sales manager and thereafter held positions in sales and marketing with Cablevision Systems Corporation ("Cablevision") and Storer Communications.

BRIAN M. WALSH has 10 years of experience in the cable television industry and has served as Vice President and Controller since February 1998. Mr. Walsh joined the Company in April 1996 as Director of Accounting. Previously, he served as Divisional Business Manager-Metro Systems for CVI from January 1994 to December 1995 and as Regional Business Manager for CVI's South Carolina region from January 1992 to December 1993. Mr. Walsh has worked in the cable television industry since 1988 when he joined CVI as a staff accountant. Mr. Walsh holds a Bachelor of Science in Accounting from Siena College.

JAMES M. CAREY has 17 years of experience in the cable television industry and has served as the Senior Vice President-Operations of Mediacom Southeast since February 1998, and as a consultant to Mediacom since September 1997. Previously, Mr. Carey was founder and President of Infinet Results, a consulting firm to the telecommunications industry, from December 1996 to August 1997. Prior to that time, Mr. Carey served as Executive Vice President of Operations at MediaOne Inc. from August 1995 to November 1996, responsible for MediaOne's Atlanta cluster consisting of 500,000 basic subscribers. From December 1988 to July 1995, he served as Regional Vice President of CVI's southeast region serving 180,000 basic subscribers. Mr. Carey holds a Bachelor of Business Administration in Management from Georgia College.

GENE E. BROCK has 34 years of experience in the cable television industry and has served as Regional Manager of the Southeast Region since January 1998. Previously, Mr. Brock served as Regional Manager for Cablevision's Kentucky and Florida regions from March 1992 to December 1997. Prior to that time he served as Regional Engineer for MultiVision Cable Television from 1988 to 1992 and as the Vice President of Engineering for Cardiff Cablevision from 1982 to 1987.

RICHARD L. HALE has 15 years of experience in the cable television industry and has served as the Regional Manager of the Central Region since January 1998. Previously, Mr. Hale served as Regional Manager of Cablevision's Kentucky/Missouri Region from February 1996 to December 1997, as General Manager of Cablevision's cable television systems in Arkansas and Missouri from 1992 to 1996 and as a Regional Sales and Marketing Director of such systems from 1988 to 1991. Mr. Hale began his career in the cable television industry in 1984 as a Regional Sales and Marketing Director of Adams-Russell, Inc.

FREDERICK D. LORD has 19 years of experience in the cable television industry and served as the Regional Manager of the Western Region since February 1998. Mr. Lord joined the Company in May 1997 as General Manager of the Ridgecrest Cluster. Prior to that time, Mr. Lord served as the General Manager of Saipan Cable Television from February 1993 to December 1996. From 1979 to 1993, Mr. Lord held various marketing, franchising and sales management positions with Time Warner Inc., Group W Cable, and Wometco Cable TV Inc. Mr. Lord has a Bachelor of Arts in Broadcast Journalism from the University of Maine.

DONALD E. ZAGORSKI has 17 years of experience in the cable television industry and has been the General Manager of the Lower Delaware Cluster since June 1997. Previously, Mr. Zagorski served as system and regional manager for Tele-Media Company from March 1990 to June 1997. From 1981 to 1988, Mr. Zagorski held various technical and supervisory positions with Outer Banks Cablevision and Group W Cable. Mr. Zagorski holds a Bachelor of Arts in Business Administration from the State University of New York.

MANAGEMENT AND EXECUTIVE COMMITTEE

The Operating Agreement provides that one Manager shall have overall management and control of the business and affairs of the Company, and that Rocco B. Commisso is to serve as the Manager until his resignation and (other than as set forth in the following sentence) the approval of his successor by the vote of a majority of the outstanding membership interests. Without the consent or approval of members, Mr. Commisso may designate a corporation or other entity controlled by him and of which he and members of his immediate family own at least 51% of the equity interests to serve as Manager of Mediacom. The Manager may resign at any time and may be removed for gross negligence or willful misconduct by a vote of no less than two-thirds of the outstanding membership interests (exclusive of those held by the Manager).

The Operating Agreement provides for the establishment of a five-member executive committee (the "Executive Committee") to whom Mr. Commisso, as Manager, is required to report with respect to certain matters. Approval of the Executive Committee must be obtained for certain extraordinary actions. Pursuant to the Operating Agreement, Mr. Commisso serves as Chairman of the Executive Committee and is entitled to designate two additional members, one of whom may be an employee of Mediacom Management or a Subsidiary. The remaining two members of the Executive Committee are designated by the other member or members of Mediacom having the largest equity holdings. See "Description of the Operating Agreement."

EXECUTIVE AND OTHER COMPENSATION

Pursuant to the Operating Agreement, the Company will not make any payments in respect of compensation to any of its executive management personnel. Rather, executive management personnel receive compensation from Mediacom Management. Accordingly, Mediacom Management utilizes fees received from the Company to pay for all of its operating expenses for managing the day-to-day affairs of the Systems, as well as executive management salaries, benefits and overhead, but excluding certain out-of-pocket expenses to be reimbursed pursuant to the terms of the Operating Agreement. No employee of the Subsidiaries received compensation in excess of $100,000 in 1997. See "Certain Relationships and Related Transactions."

401(K) PLAN

The Company maintains a retirement plan (the "401(k) Plan") established in conformity with Section 401(k) of the Internal Revenue Code of 1986, as amended (the "Code"), covering all of the eligible employees of the Company. Pursuant to the 401(k) Plan, employees may elect to defer up to 15% of their current pre-tax compensation and have the amount of such deferral contributed to the 401(k) Plan. The maximum elective deferral contribution was $10,000 in 1997, subject to adjustment for cost-of-living in subsequent years. Certain highly compensated employees may be subject to a lesser limit on their maximum elective deferral contribution. The 401(k) Plan permits, but does not require, matching contributions and non-matching (profit sharing) contributions to be made by the Company up to a maximum dollar amount or maximum percentage of participant contributions, as determined annually by the Company. The Company presently matches 50% on the first 6% of employee contributions. The Company's contributions under such Plan totaled approximately $10,000 for the period from commencement of operations (March 12, 1996) to December 31, 1996, approximately $14,000 for the year ended December 31, 1997 and approximately $6,990 for the three months ended March 31, 1998. The 401(k) Plan is qualified under Section 401 of the Code so that contributions by employees and employer, if any, to the 401(k) Plan, and income earned on plan contributions, are not taxable to employees until withdrawn from the 401(k) Plan, and so that contributions by the Company, if any, will be deductible by the Company when made.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

MANAGEMENT AGREEMENTS

Pursuant to the Operating Agreement, the Manager or its affiliate, including Mediacom Management, is to be paid compensation for management services performed for the Company. In accordance with the Operating Agreement and separate management agreements with each of the Subsidiaries, Mediacom Management, which is wholly-owned by Mr. Commisso, is paid management fees for managing the day-to-day operations of the Company. Pursuant to the Operating Agreement and such management agreements, Mediacom Management is entitled to receive annual management fees of 5.0% of the first $50.0 million of annual gross operating revenues of the Company, 4.5% of such revenues in excess thereof up to $75.0 million, and 4.0% of such revenues in excess of $75.0 million. The respective Subsidiary Credit Facilities prohibit the payment of these management fees by the Subsidiaries if an event of default is continuing thereunder. The aggregate amount of management fees paid to Mediacom Management was approximately $270,000 and $882,000 in 1996 and 1997, respectively, and approximately $1,207,000 for the three months ended March 31, 1998. See "Management--Executive and Other Compensation" and "Description of the Operating Agreement--Management and Executive Committee."

TRANSACTION FEES AND EXPENSE REIMBURSEMENT

Pursuant to the Operating Agreement, Mediacom Management is entitled to receive a fee of 1.0% of the purchase price of acquisitions made by the Company until the Company's pro forma consolidated operating revenues equal $75.0 million, and 0.5% of such purchase price thereafter. The Company paid Mediacom Management approximately $453,000 and $544,000 in respect of such acquisition fees in 1996 and 1997, respectively, and approximately $3.3 million in connection with the purchase of the 1998 Systems during the three months ended March 31, 1998. In addition, the Operating Agreement provides for reimbursement of reasonable out-of-pocket expenses of the Manager or its affiliates (including Mediacom Management) incurred in connection with the operation of the business of the Company and acting for or on behalf of the Company in connection with any potential acquisition of a cable television system. During 1996, the Company reimbursed Mediacom Management approximately $514,000 for certain management services incurred in connection with the start-up of the Company's operations and for other out-of-pocket expenses. In 1997, the Company reimbursed Mediacom Management approximately $59,000 for out-of-pocket expenses. There were no such reimbursements during the three months ended March 31, 1998.

OTHER RELATIONSHIPS WITH MEMBERS OF MEDIACOM

Chase Manhattan Capital, L.P. and CB Capital Investors, L.P., which collectively hold approximately 9.5% of the membership interests in Mediacom, are affiliates of Chase Securities Inc. as well as The Chase Manhattan Bank. The Chase Manhattan Bank is the administrative agent and a lender under each of the Subsidiary Credit Facilities and has received customary fees for acting in such capacities. The Chase Manhattan Bank received its proportionate share of any repayment by the Subsidiaries of amounts outstanding under the respective Subsidiary Credit Facilities from the proceeds of the Series A Notes Offering. In connection with the financing of the purchase of the Cablevision Systems, Mediacom issued to The Chase Manhattan Bank $20.0 million principal amount of the Holding Company Notes, which principal amount plus all interest accrued thereon was repaid with the proceeds of the Series A Notes Offering. The Chase Manhattan Bank also issued on August 29, 1997 an irrevocable letter of credit on behalf of Mediacom in the amount of $15.0 million in favor of the sellers of the Cablevision Systems to secure Mediacom's performance under the acquisition agreement for the Cablevision Systems. Such letter of credit was terminated upon the consummation of the purchase of the Cablevision Systems on January 23, 1998. Chase Securities Inc., as the Initial Purchaser, received fees in connection with the Series A Notes Offering. See "Plan of Distribution." Chase Securities Inc. acted as placement agent in connection with the placement of membership interests in Mediacom and acted as advisory agent in connection with the Company's purchase of the Cablevision Systems. For such services, Chase Securities Inc. has received or is entitled to receive fees totaling approximately $3.5 million.

BMO Financial, Inc., which holds approximately 3.8% of the membership interests in Mediacom, is an affiliate of Bank of Montreal, a lender under each of the Subsidiary Credit Facilities. Bank of Montreal has received customary fees for acting as such. Bank of Montreal Trust Company, an affiliate of Bank of Montreal, is the Trustee under the Notes.

Morris Communications Corporation, which holds approximately 64.5% of the membership interests in Mediacom, has received fees totaling approximately $2.0 million with respect to its equity commitment to Mediacom in connection with the acquisition of the Cablevision Systems, and is entitled to receive additional fees in the amount of approximately $270,000 in respect of its remaining uncalled equity commitment.

SELLER NOTE

In connection with the purchase of a cable television system in Kern County, California from Booth American Company ("Booth"), Mediacom California issued to Booth, who holds approximately 6.9% of the membership interests in Mediacom, the Seller Note in the original principal amount of $2.8 million. See "Description of Other Indebtedness--Seller Note."

MEMBERSHIP INTERESTS OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The table below sets forth as of the date of this Prospectus certain information regarding each of the beneficial owners of membership interests in Mediacom. Rocco B. Commisso is the only Executive Officer owning such interests. Mediacom Capital was incorporated in March 1998 and is a wholly-owned subsidiary of Mediacom, has no assets and does not conduct any operations.

The Operating Agreement provides that upon the occurrence of certain events described therein, including upon the occurrence of certain capital contributions, the Executive Committee will make a determination of the aggregate equity value of the Company at such time, and additional membership units, each having a value upon issuance of $1,000, will be issued to Mediacom's members based upon such determination. To give effect to the acquisition of the Cablevision Systems and related equity contributions, the Executive Committee determined an aggregate equity value of the Company of $150.0 million, and Mediacom issued additional membership units to its members on the basis of such determination on January 22, 1998. The table below reflects such valuation determination and issuance of additional units. To date, the Company has raised $135.5 million of equity capital, of which $125.0 million has been invested in Mediacom.

BENEFICIAL OWNER	NUMBER OF MEMBERSHIP UNITS	PERCENTAGE OF OUTSTANDING MEMBERSHIP INTERESTS
Rocco B. Commisso.................. c/o Mediacom LLC 100 Crystal Run Road Middletown, New York 10941	14,474.37	9.65%
Morris Communications Corporation... 725 Broad Street Augusta, GA 30901	96,776.25	64.51
CB Capital Investors, L.P.(1)....... c/o Chase Manhattan Capital Corporation 380 Madison Avenue New York, NY 10017	14,306.01	9.54
U.S. Investor, Inc.(2)............. 333 West Fort Street Detroit, MI 48226	10,379.76	6.92
Private Market Fund, L.P. .... c/o Pacific Corporate Group 1200 Prospect Street, Suite 200 La Jolla, CA 92037	7,931.33	5.29
BMO Financial, Inc. .... c/o Bank of Montreal 430 Park Avenue New York, NY 10022	5,682.52	3.79
Other investors....................	449.76	0.30
Total............................	150,000.00	100.00%

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(1) Includes approximately 2.0% in respect of membership interests owned by its affiliate, Chase Manhattan Capital, L.P.
(2) An affiliate of Booth American Company.

DESCRIPTION OF THE OPERATING AGREEMENT

The following is a summary of certain provisions of the Third Amended and Restated Operating Agreement of Mediacom dated as of January 20, 1998 (the "Operating Agreement"). This summary does not purport to be a complete description of the Operating Agreement, and is qualified in its entirety by reference to the Operating Agreement which is available upon request of Mediacom at 100 Crystal Run Road, Middletown, New York 10941, Attention: Chief Financial Officer.

ESTABLISHMENT, PURPOSE AND DURATION

Mediacom was formed as a limited liability company pursuant to the provisions of the New York Limited Liability Company Law (the "New York Act") on July 17, 1995. The purposes of Mediacom, as set forth in the Operating Agreement, are to acquire, directly or through investments, franchises to operate, and to own, invest in, design, construct, maintain, manage and operate, exchange and dispose of, one or more cable television systems or other businesses providing telecommunications services, and to do all things reasonably incidental thereto, including borrowing and lending money and securing such borrowings by mortgage, pledge, or other lien, and leasing or disposing of such systems or businesses.

Mediacom will be dissolved upon the first to occur of the following: (i) December 31, 2020; (ii) certain events of bankruptcy involving the Manager or the occurrence of any other event terminating the continued membership of the Manager, unless within one hundred eighty days after such event the Company is continued by the vote or written consent of no less than two-thirds of the remaining membership interests; or (iii) the entry of a decree of judicial dissolution.

MANAGEMENT AND EXECUTIVE COMMITTEE

The Operating Agreement provides that one Manager shall have overall management and control of the business and affairs of the Company, and that Rocco B. Commisso is to serve as the Manager until his resignation and (other than as set forth in the following sentence) the approval of his successor by the vote of a majority of the outstanding membership interests. Without the consent or approval of members, Mr. Commisso may designate a corporation or other entity controlled by him and of which he and members of his immediate family own at least 51% of the equity interests to serve as Manager of Mediacom. The Manager may resign at any time and may be removed for gross negligence or willful misconduct by a vote of no less than two-thirds of the outstanding membership interests (exclusive of those held by the Manager).

The Operating Agreement provides for a five-member Executive Committee to whom the Manager is required to report with respect to certain matters, including the financial status of the Company. As Manager, Mr. Commisso is the Chairman of the Executive Committee and is entitled to designate two additional members, one of whom may be an employee of Mediacom Management or a Subsidiary. The remaining two members of the Executive Committee are designated by the member or members of Mediacom having the largest equity holdings which presently is Morris Communications Corporation. Informational meetings must be held at least quarterly.

Approval of the Executive Committee (acting by majority vote) is required for the following actions: (i) acquisitions requiring a capital call in excess of $10 million or having a purchase price in excess of $40 million; (ii) the making of a capital call exceeding $8 million not involving an acquisition; (iii) financing transactions increasing the Indebtedness of the Company by $40 million or more; (iv) dispositions of assets having a sale price in excess of $40 million; (v) transactions with affiliates of Mediacom or the Manager requiring payments in excess of $1 million (exclusive of fee payments and reimbursement of expenses specified in the Operating Agreement); (vi) offerings of membership interests or other equity interests in Mediacom, and any amendments to the Operating Agreement necessary or desirable to complete the offering; (vii) determination of Mediacom's equity value upon the occurrence of certain events specified in the Operating Agreement; (viii) proposed transfers of more than 5,000 units of membership interest by any member (other than to an affiliate of such member); (ix) the resolution of conflicts of interest between Mediacom and its affiliates (including the Manager); (x) the merger or consolidation of Mediacom with or into any other business entity; and (xi) taking any actions relating to bankruptcy or similar relief.

The number of members of the Executive Committee would be increased to seven upon the occurrence of any of the following: (i) bankruptcy, incapacity or withdrawal of the Manager or any other event that terminates the membership of the Manager; (ii) the Manager is no longer chief executive officer and controlling shareholder of Mediacom Management while any management agreement between Mediacom Management and a Subsidiary is in effect; (iii) Mediacom has not disposed of its assets and redeemed the membership interests of all members other than Mr. Commisso and his affiliates within two years of the approval by the members of such a disposition, as discussed below under "--Voting Rights"; or (iv) consolidated System Cash Flow of the Company for any two consecutive fiscal quarters is less than 80% of the financial projections for such fiscal quarters, as provided to lenders of the Company in connection with proposed acquisitions or refinancings. In such a case, Mr. Commisso and his affiliates would be entitled to designate three of the members of the Executive Committee and the other members of Mediacom would designate the remaining four.

RIGHT OF FIRST OFFER

If the Executive Committee or the members of Mediacom determine to sell any or all of the Company's assets or Subsidiaries, the Manager has the right of first offer with respect to such sale. Within 30 days of a determination to sell, the Manager may present the proposed terms of an offer for purchase to the members, a majority of which will be necessary to approve the transaction. Within 30 days of delivery of the Manager's offer, Mediacom shall hold a meeting at which a vote of the majority of the membership interests not held by the Manager and his affiliates shall be required to accept or reject the Manager's offer. If the Manager's offer is rejected, the Executive Committee would have 120 days within which to solicit offers from prospective buyers (including other members). If within such 120-day period, the Executive Committee is unable to solicit a bona fide offer from a qualified buyer or negotiate a contract on terms at least as favorable as those offered by the Manager and for a purchase price of not less than 105% of the Manager's offered purchase price, the Executive Committee must accept the Manager's offer unless such sale is to be effected prior to December 31, 2004, in which case it may reject the offer. If the Manager's offer is accepted, Mediacom (acting through the Executive Committee) and the Manager shall proceed to prepare a contract of sale.

VOTING RIGHTS

The members of Mediacom do not have the right to vote on any matters, except that the vote of no less than two-thirds of the outstanding membership interests is required for (i) the disposition of substantially all of the assets of the Company which, if to be effected prior to December 31, 2004, shall also require the approval of the Manager; (ii) the amendment of the Operating Agreement (other than for administrative purposes); (iii) a material change to the business purposes of the Company; (iv) the removal of the Manager for gross negligence or willful misconduct; and (v) the continuation of the business of Mediacom following the bankruptcy, death, disability, legal incapacity, removal or withdrawal of the Manager.

CAPITAL CONTRIBUTIONS; CAPITAL CALLS

Under the Operating Agreement, the members of Mediacom have made capital contributions to Mediacom pursuant to certain capital commitment agreements. To the extent any member has a capital commitment in excess of such member's capital contributions (an "Unfunded Capital

Commitment"), the Manager may make capital calls on a pro rata basis to all members with respect to no less than 5% of each member's Unfunded Capital Commitment. The Operating Agreement provides Mediacom with several remedies in the event a member fails to pay any of the amounts requested pursuant to a capital call, including redeeming the defaulting member's membership interests for 50% of the equity value less costs of collection and interest accrued on unpaid capital call amounts. The Company presently has Unfunded Capital Commitments in the aggregate amount of $10.5 million from its members.

PUT RIGHTS

Each member has the right to require Mediacom to redeem its membership interests at any time if the holding of such interests exceeds the amount permitted, or its otherwise prohibited or becomes unduly burdensome, by any law to which such member is subject, or, in the case of any member which is a Small Business Investment Company as defined in and subject to regulation under the Small Business Investment Act of 1958, as amended, upon a change in the Company's principal business activities to an activity not eligible for investment by a Small Business Investment Company or a change in the reported use of proceeds of a member's investment in Mediacom. If Mediacom is unable to redeem for cash any or all of such membership interests at such time, Mediacom will issue as payment for such interests a junior subordinated promissory note with a five-year maturity date and deferred interest which accrues and compounds at an annual rate of 5% over prime.

In addition, in connection with the acquisition of the Cablevision Systems on January 23, 1998, the FCC issued a transactional forbearance from its cross-ownership restrictions, effective for a period of one year, permitting CB Capital Investors, L.P. ("CB") to purchase additional units of membership interest in Mediacom. If at the end of such one-year period, CB's membership interest in Mediacom remains above the limitations imposed by the FCC's cross-ownership restrictions, Mediacom will be required to repurchase such number of CB's units of membership interest which exceed the permissible ownership level. If such repurchase were to occur on January 23, 1999 (i.e., upon expiration of the transactional forbearance), and assuming no changes in the number of outstanding membership units of Mediacom and no changes in such cross-ownership rules, the repurchase price for such excess membership interests would be approximately $7.5 million. See "Membership Interests of Certain Beneficial Owners and Management" and "Legislation and Regulation." Except as set forth above, no member has the right to have its membership interests redeemed or its capital contributions returned prior to dissolution of Mediacom.

TRANSFER OF MEMBERSHIP INTERESTS; PREEMPTIVE RIGHTS

Under the Operating Agreement, members may not transfer their interests in Mediacom without the Manager's consent, except for transfers to affiliates of the members, and certain significant transfers that also require the consent of the Executive Committee. If it becomes illegal for a member to hold membership interests or if by reason of legal or regulatory restrictions the cost to such member of holding such interests becomes significantly increased, the affected member, upon three business days prior notice to the other members, may transfer its interests to accredited investors and qualified institutional buyers who are "U.S. Persons" for Federal income tax purposes and who may lawfully hold such interests under the Communications Act and the FCC rules and regulations adopted thereunder. Any permitted transferee must agree to be bound by the provisions of the Operating Agreement.

Mediacom may admit additional members provided that, other than in connection with an acquisition or other business combination or in contemplation of an initial public offering of equity securities, notice is first given to each of the members. Each member shall then have the preemptive right to purchase a portion of the offered interests up to such member's pro rata share based upon the ratio of such member's interests to all outstanding interests. If any member does not exercise its preemptive right, the exercising members may subscribe for the remaining offered interests.

DESCRIPTION OF THE NOTES

GENERAL

The Series A Notes are, and the Series B Notes will be, issued under an Indenture (the "Indenture") dated as of April 1, 1998, among Mediacom and Mediacom Capital, as joint and several obligors, and Bank of Montreal Trust Company, as Trustee (the "Trustee"). The Notes initially issued will not be guaranteed by any Subsidiary of Mediacom, but Mediacom will agree in the Indenture to cause a Restricted Subsidiary to guarantee payment of the Notes in certain limited circumstances specified therein. See "Covenants--Limitation on Guarantees of Certain Indebtedness" below. The Notes will be issued in fully registered form only, in denominations of $1,000 and integral multiples thereof. The Notes will be represented by one or more registered Notes in global form and in certain circumstances may be represented by Notes in certificated form. See "Book-Entry; Delivery and Form."

The following statements are subject to the detailed provisions of the Indenture and are qualified in their entirety by reference to the Indenture, including the terms made a part thereof by the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"). A copy of the Indenture will be provided upon request without charge to each person to whom a copy of this Prospectus is delivered. Capitalized terms used herein which are not otherwise defined shall have the meaning assigned to them in the Indenture.

PRINCIPAL, MATURITY AND INTEREST

The Notes initially issued under the Indenture were issued in an aggregate principal amount of $200.0 million and will mature on April 15, 2008. Interest on the Notes will accrue at the rate of 8 1/2% per annum from April 1, 1998, or from the most recent date on which interest has been paid or provided for, payable semi-annually to holders of record at the close of business on the April 1 or October 1 (whether or not such day is a business day) immediately preceding the interest payment date on April 15 and October 15 of each year commencing October 15, 1998. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months. The Indenture provides for the issuance thereunder of up to $150.0 million aggregate principal amount of additional Notes having substantially identical terms and conditions to the Notes offered by the Series A Notes Offering (the "Additional Notes"), subject to compliance with the covenants contained in the Indenture (including "Covenants--Limitation on Indebtedness" as a new Incurrence of Indebtedness by the Issuers). Any Additional Notes will be part of the same issue as the Notes (and accordingly will participate in purchase offers and partial redemptions) and will vote on all matters with the Notes. Unless the context otherwise requires, for purposes of this "Description of the Notes," reference to the Notes includes Additional Notes.

Principal of, premium, if any, and interest, including Liquidated Damages, if any, on the Notes will be payable, and the Notes may be exchanged or transferred, at the office or agency of the Issuers maintained for such purpose in the Borough of Manhattan, The City of New York (which initially shall be the corporate trust office of the Trustee at 88 Pine Street, New York, New York 10005), except that, at the option of the Issuers, payment of interest and Liquidated Damages, if any, may be made by check mailed to the registered holders of the Notes at their registered addresses; provided that all payments with respect to global Notes and certificated Notes the holders of which have given written wire transfer instructions to the Trustee by no later than five business days prior to the relevant payment date will be required to be made by wire transfer of immediately available funds to the accounts specified by the holders thereof.

RANKING

The Notes will be unsecured, senior obligations of the Issuers, ranking pari passu in right of payment with all existing and future unsecured Indebtedness of the Issuers, other than any

Subordinated Obligations. The Notes will be effectively subordinated to any secured Indebtedness of the Issuers. Since Mediacom is a holding company and conducts its business through its Subsidiaries, the Notes will be effectively subordinated to all existing and future Indebtedness and other liabilities (including trade payables) of the Subsidiaries.

As of March 31, 1998, after giving pro forma effect to the Series A Notes Offering and the use of the net proceeds therefrom, the Company would have had approximately $321.3 million of Indebtedness outstanding (including $121.3 million of Indebtedness of the Subsidiaries), with the Subsidiaries having the ability to borrow up to an additional $207.0 million in the aggregate under the Subsidiary Credit Facilities.

OPTIONAL REDEMPTION

Except as set forth below, the Notes are not redeemable prior to April 15, 2003. Thereafter, the Notes will be redeemable, in whole or in part, from time to time at the option of the Issuers, on not less than 30 and not more than 60 days' notice prior to the redemption date by first class mail to each holder of Notes to be redeemed at such holder's address appearing in the register of Notes maintained by the Registrar at the following redemption prices (expressed as percentages of principal amount) if redeemed during the twelve-month period beginning with April 15 of the year indicated below, in each case together with accrued and unpaid interest and Liquidated Damages, if any, thereon to the date of redemption:

YEAR	REDEMPTION PRICE
2003	104.250%
2004	102.833%
2005	101.417%
2006 and thereafter	100.000%

In addition, at any time and from time to time, on or prior to April 15, 2001, the Issuers may redeem up to 35% of the original principal amount of the Notes (calculated to give effect to any issuance of Additional Notes) with the Net Cash Proceeds of one or more Equity Offerings of Mediacom, at a redemption price in cash equal to 108.5% of the principal to be redeemed plus accrued and unpaid interest and Liquidated Damages, if any, to the date of redemption; provided that at least 65% of the original principal amount of Notes (as so calculated) remains outstanding immediately after each such redemption. Any such redemption will be required to occur within 90 days following the closing of any such Equity Offering.

If fewer than all the Notes are to be redeemed, the Trustee will select the Notes to be redeemed, if the Notes are listed on a national securities exchange, in accordance with the rules of such exchange or, if the Notes are not so listed, on a pro rata basis or by lot or by such other method that the Trustee deems to be fair and equitable to holders. If any Note is to be redeemed in part only, the notice of redemption that relates to such Note shall state the portion of the principal amount thereof to be redeemed and a new Note or Notes in principal amount equal to the unredeemed principal portion thereof will be issued; provided, that no Notes of a principal amount of $1,000 or less shall be redeemed in part. On and after the redemption date, interest will cease to accrue on Notes or portions thereof called for redemption as long as the Issuers have deposited with the Paying Agent for the Notes funds in satisfaction of the applicable redemption price pursuant to the Indenture.

REPURCHASE AT THE OPTION OF HOLDERS

Change of Control

The Indenture will provide that upon the occurrence of a Change of Control, each holder of Notes shall have the right to require the Issuers to repurchase all or any part of such holder's Notes pursuant to an offer described below (the "Change of Control Offer") at a purchase price equal to 101% of the principal amount thereof plus any accrued and unpaid interest and Liquidated Damages, if any, thereon to the date of repurchase (the "Change of Control Payment").

A "Change of Control" means the occurrence of any 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 total voting power of the then outstanding Voting Equity Interests of Mediacom; (ii) Mediacom consolidates with, or merges with or into, another Person (other than a Wholly Owned Restricted Subsidiary) or Mediacom or any its Subsidiaries sells, assigns, conveys, transfers, leases or otherwise disposes of all or substantially all of the assets of Mediacom and its Subsidiaries (determined on a consolidated basis) to any Person (other than Mediacom or any Wholly Owned Restricted Subsidiary), 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 total voting power of the then outstanding Voting Equity Interests of Mediacom, "beneficially own" (as so determined), directly or indirectly, more than 50% of the total voting power of the then outstanding Voting Equity Interests of the surviving or transferee Person; (iii) Mediacom is liquidated or dissolved or adopts a plan of liquidation or dissolution (whether or not otherwise in compliance with the provisions of the Indenture); (iv) a majority of the members of the Executive Committee of Mediacom shall consist of Persons who are not Continuing Members; or (v) Mediacom ceases to own 100% of the issued and outstanding Equity Interests of Mediacom Capital, other than by reason of a merger of Mediacom Capital into and with a corporate successor to Mediacom; 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) Rocco B. Commisso continues to be the manager of Mediacom pursuant to the Operating Agreement and/or the chief executive officer of Mediacom (or the surviving or transferee Person in the case of clause (ii) above), or (B) Rocco B. Commisso and the other Permitted Holders together with their respective designees constitute the majority of the members of the Executive Committee.

Within 30 days of the occurrence of a Change of Control, the Issuers shall send by first-class mail, postage prepaid, to the Trustee and to each holder of the Notes, at the address appearing in the register of Notes maintained by the Registrar, a notice stating: (1) that the Change of Control Offer is being made pursuant to this covenant and that all Notes tendered will be accepted for payment; (2) the purchase price and the purchase date, which shall be a business day no earlier than 30 days nor later than 60 days from the date such notice is mailed (the "Change of Control Payment Date"); (3) that any Note not tendered will continue to accrue interest; (4) that, unless the Issuers default in the payment of the Change of Control Payment, any Notes accepted for payment pursuant to the Change of Control Offer shall cease to accrue interest after the Change of Control Payment Date; (5) that holders accepting the offer to have their Notes purchased pursuant to a Change of Control Offer will be required to surrender the Notes to the Paying Agent at the address specified in the notice prior to the close of business on the business day preceding the Change of Control Payment Date; (6) that holders will be entitled to withdraw their acceptance if the Paying Agent receives, not later than the close of business on the third Business Day preceding the Change of Control Payment Date, a telegram, telex, facsimile transmission or letter setting forth the name of the holder, the principal amount of the Notes delivered for purchase, and a statement that such holder is withdrawing its election to have such Notes purchased; (7) that holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered, provided that each Note purchased and each such new Note issued shall be in an original principal amount in denominations of $1,000 and integral multiples thereof; (8) any other procedures that a holder must follow to accept a Change of Control Offer or effect withdrawal of such acceptance; and (9) the name and address of the Paying Agent.

On the Change of Control Payment Date, the Issuers shall, to the extent lawful (i) accept for payment Notes or portions thereof tendered pursuant to the Change of Control Offer, (ii) deposit with the Paying Agent money sufficient to pay the purchase price of all Notes or portions thereof so tendered and (iii) deliver or cause to be delivered to the Trustee Notes so accepted together with an Officers' Certificate stating the Notes or portions thereof tendered to the Issuers. The Paying Agent shall promptly mail to each holder of Notes so accepted payment in an amount equal to the purchase price for such Notes, and the Issuers shall execute and issue, and the Trustee shall promptly authenticate and mail to such holder, a new Note equal in principal amount to any unpurchased portion of the Notes surrendered; provided that each such new Note shall be issued in an original principal amount in denominations of $1,000 and integral multiples thereof. The Issuers will send to the Trustee and the holders of Notes on or as soon as practicable after the Change of Control Payment Date a notice setting forth the results of the Change of Control Offer.

The Issuers will not be required to make a Change of Control Offer if a third party makes the Change of Control Offer in the manner, at the time and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Issuers and purchases all Notes or portions thereof validly tendered and not withdrawn under such Change of Control Offer. In addition, the Issuers will not be required to make a Change of Control Offer in the event of a highly leveraged transaction that does not constitute a Change of Control.

The Issuers will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Notes pursuant to this covenant.

The Subsidiary Credit Facilities include "change of control" provisions that permit the lenders thereunder to accelerate the repayment of Indebtedness thereunder. The Subsidiary Credit Facilities will not permit the Subsidiaries of Mediacom to make distributions to the Issuers so as to permit the Issuers to effect a purchase of the Notes upon the Change of Control without the prior satisfaction of certain financial tests and other conditions. Any future credit facilities or other agreements relating to Indebtedness to which the Issuers or Subsidiaries of Mediacom become a party may contain similar restrictions and provisions. If a Change of Control were to occur, the Issuers may not have sufficient available funds to pay the Change of Control Payment for all Notes that might be delivered by holders of the Notes seeking to accept the Change of Control Offer after first satisfying its obligations under the Subsidiary Credit Facilities or other agreements relating to Indebtedness, if accelerated. The failure of the Issuers to make or consummate the Change of Control Offer or to pay the Change of Control Payment when due will give the Trustee and the holders of the Notes the rights described under "Events of Default" below.

The definition of Change of Control includes a phrase relating to the sale, assignment, conveyance, transfer, lease or other disposition of "all or substantially all" of the assets of Mediacom and its Subsidiaries. Although there is a developing body of case law interpreting the phrase "substantially all," there is not a precise or established definition of the phrase under applicable law. Accordingly, the ability of a holder of the Notes to require the Issuers to repurchase such Notes as a result of a sale, assignment, conveyance, transfer, lease or other disposition of less than all of the assets of Mediacom and its Subsidiaries to another Person or group may be uncertain.

Asset Sales

The Indenture will provide that Mediacom shall not, and shall not permit any Restricted Subsidiary to, consummate an Asset Sale unless (i) Mediacom or such Restricted Subsidiary, as the case may be, receives consideration at the time of such sale or other disposition at least equal to the fair market value thereof (as determined in good faith by the Executive Committee, whose determination shall be conclusive and evidenced by a Committee Resolution); (ii) not less than 75% of the consideration received by Mediacom or such Restricted Subsidiary, as the case may be, is in the form of cash or Cash Equivalents; and (iii) the Asset Sale Proceeds received by Mediacom or such Restricted Subsidiary are applied (a) first, to the extent Mediacom elects, or is required, to prepay, repay or purchase debt under any then existing Indebtedness of Mediacom or any Restricted Subsidiary within 360 days following the receipt of the Asset Sale Proceeds from any Asset Sale or, to the extent Mediacom elects, to make an investment in assets (including Equity Interests or other securities purchased in connection with the acquisition of Equity Interests or property of another Person) used or useful in a Related Business, provided that such investment occurs and such Asset Sale Proceeds are so applied within 360 days following the receipt of such Asset Sale Proceeds (the "Reinvestment Date"), and (b) second, on a pro rata basis (1) to the repayment of an amount of Other Pari Passu Debt not exceeding the Other Pari Passu Debt Pro Rata Share (provided that any such repayment shall result in a permanent reduction of any commitment in respect thereof in an amount equal to the principal amount so repaid) and (2) if on the Reinvestment Date with respect to any Asset Sale the Excess Proceeds exceed $10.0 million, the Issuers shall apply an amount equal to such Excess Proceeds to an offer to repurchase the Notes, at a purchase price in cash equal to 100% of the principal amount thereof plus accrued and unpaid interest and Liquidated Damages, if any, to the date of repurchase (an "Excess Proceeds Offer"). If an Excess Proceeds Offer is not fully subscribed, the Issuers may retain the portion of the Excess Proceeds not required to repurchase Notes. For purposes of determining in clause (ii) above the percentage of cash consideration received by Mediacom or any Restricted Subsidiary, the amount of any (x) liabilities (as shown on Mediacom's or such Restricted Subsidiary's most recent balance sheet) of Mediacom or any Restricted Subsidiary that are actually assumed by the transferee in such Asset Sale and from which Mediacom and the Restricted Subsidiaries are fully released shall be deemed to be cash, and (y) securities, notes or other similar obligations received by Mediacom or such Restricted Subsidiary from such transferee that are immediately converted (or are converted within 30 days of the related Asset Sale) by Mediacom or such Restricted Subsidiary into cash shall be deemed to be cash in an amount equal to the net cash proceeds realized upon such conversion.

If the Issuers are required to make an Excess Proceeds Offer, the Issuers shall mail, within 30 days following the Reinvestment Date, a notice to the holders of Notes stating, among other things: (1) that such holders have the right to require the Issuers to apply the Excess Proceeds to repurchase such Notes at a purchase price in cash equal to 100% of the principal amount thereof plus accrued and unpaid interest and Liquidated Damages, if any, to the date of purchase; (2) the purchase date, which shall be no earlier than 30 days and not later than 60 days from the date such notice is mailed; (3) the instructions, determined by the Issuers, that each holder must follow in order to have such Notes repurchased; and (4) the calculations used in determining the amount of Excess Proceeds to be applied to the repurchase of such Notes. If the aggregate principal amount of Notes surrendered by holders thereof exceeds the amount of Excess Proceeds, the Trustee shall select the Notes to be purchased on a pro rata basis or by lot or by such other method that the Trustee deems to be fair and equitable to holders. Upon completion of the Excess Proceeds Offer, the amount of Excess Proceeds shall be reset to zero.

The Issuers will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Notes pursuant to this covenant.

Notwithstanding the foregoing, the Indenture will provide that Mediacom or any Restricted Subsidiary will be permitted to consummate an Asset Swap if (i) at the time of entering into the related Asset Swap Agreement or immediately after giving effect to such Asset Swap no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof and (ii) such Asset Swap shall have been approved in good faith by the Executive Committee, whose approval shall be conclusive and evidenced by a Committee Resolution, which states that such Asset Swap is fair to Mediacom or such Restricted Subsidiary, as the case may be, from a financial point of view.

If a Restricted Subsidiary were to consummate an Asset Sale, the Subsidiary Credit Facilities would not permit such Restricted Subsidiary to make a distribution to the Issuers of the related Asset Sale Proceeds so as to permit the Issuers to effect an Excess Proceeds Offer with such Asset Sale Proceeds without the prior satisfaction of certain financial tests and other conditions. Any future credit agreements or other agreements relating to Indebtedness to which the Issuers or Subsidiaries of Mediacom become a party may contain similar restrictions or other provisions which would prohibit the Issuers from purchasing any Notes from Asset Sale Proceeds. In the event an Excess Proceeds Offer occurs at a time when the Issuers are prohibited from receiving Asset Sale Proceeds or purchasing the Notes, the Issuers could seek the consent of their lenders to the distribution of Asset Sales Proceeds or the purchase of Notes or could attempt to refinance the Indebtedness that contains such prohibition. If the Issuers do not obtain such a consent or repay such Indebtedness, the Issuers may remain prohibited from purchasing the Notes. In such case, the Issuers' failure to purchase tendered Notes when due will give the Trustee and the holders of the Notes the rights described under "Events of Default" below.

EVENTS OF DEFAULT

An Event of Default is defined in the Indenture as being: default in payment of any principal of, or premium, if any, on the Notes when due; default for 30 days in payment of any interest or Liquidated Damages, if any, on the Notes when due; default by the Issuers for 60 days after written notice by holders of not less than 25% in principal amount of the Notes then outstanding in the observance or performance of any other covenant in the Notes or the Indenture; default in the payment at maturity (continued for the longer of any applicable grace period or 30 days) of any Indebtedness aggregating $15.0 million or more of the Issuers or any Significant Subsidiary or any group of Restricted Subsidiaries of Mediacom which, if merged into each other, would constitute a Significant Subsidiary, or the acceleration of any such Indebtedness which default shall not be cured or waived, or such acceleration shall not be rescinded or annulled, within 30 days after written notice by holders of not less than 25% in principal amount of the Notes then outstanding; any final judgment or judgments for the payment of money in excess of $15.0 million (net of amounts covered by insurance) shall be rendered against the Issuers or any Significant Subsidiary or any group of Restricted Subsidiaries of Mediacom which, if merged into each other, would constitute a Significant Subsidiary, and shall not be discharged for any period of 60 consecutive days, during which a stay of enforcement of such judgment shall not be in effect; or certain events involving bankruptcy, insolvency or reorganization of the Issuers or a Significant Subsidiary or any group of Restricted Subsidiaries of Mediacom which, if merged into each other, would constitute a Significant Subsidiary. The Indenture provides that the Trustee may withhold notice to the holders of Notes of any default (except in payment of principal of or premium, if any, or interest on the Notes) if the Trustee considers it to be in the best interest of the holders of the Notes to do so.

The Indenture will provide that if an Event of Default (other than an Event of Default resulting from certain events of bankruptcy, insolvency or reorganization) shall have occurred and be continuing, the Trustee or the holders of not less than 25% in principal amount of the Notes then outstanding may declare the principal of all the Notes to be due and payable immediately, but if the Issuers shall cure (or the holders of a majority in principal amount of the Notes, if permitted by the Indenture, shall waive) all defaults (except the nonpayment of principal, interest and premium, if any, on any Notes which shall have become due by acceleration) and certain other conditions are met, such declaration may be annulled by the holders of a majority in principal amount of the Notes then outstanding. In case an Event of Default resulting from certain events of bankruptcy, insolvency or reorganization shall occur, such amount with respect to all of the Notes shall be due and payable immediately without any declaration or other act on the part of the Trustee or the holders of the Notes.

The holders of a majority in principal amount of the Notes then outstanding shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee subject to certain limitations specified in the Indenture. Subject to the provisions of the Indenture relating to the duties of the Trustee, in case an Event of Default shall occur and be continuing, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request or direction of any of the holders of the Notes, unless such holders have offered to the Trustee reasonable indemnity.

COVENANTS

Limitation on Restricted Payments

The Indenture will provide that, so long as any of the Notes remain outstanding, Mediacom shall not, and shall not permit any Restricted Subsidiary to, make any Restricted Payment if (i) at the time of such proposed Restricted Payment, a Default or Event of Default shall have occurred and be continuing or shall occur as a consequence of such Restricted Payment; (ii) immediately after giving effect to such proposed Restricted Payment, Mediacom would not be able to Incur $1.00 of additional Indebtedness under the Debt to Operating Cash Flow Ratio of the first paragraph of "--Limitation on Indebtedness" below; or (iii) immediately after giving effect to any such Restricted Payment, the aggregate of all Restricted Payments which shall have been made on or after the date of the Indenture (the amount of any Restricted Payment, if other than cash, to be based upon the fair market value thereof on the date of such Restricted Payment (without giving effect to subsequent changes in value) as determined in good faith by the Executive Committee, whose determination shall be conclusive and evidenced by a Committee Resolution) would exceed an amount equal to the difference between (a) the Cumulative Credit and (b) 1.4 times Cumulative Interest Expense.

"Restricted Payment" means (i) any dividend (whether made in cash, property or securities) on or with respect to any Equity Interests of Mediacom or of any Restricted Subsidiary (other than with respect to Disqualified Equity Interests and other than any dividend made to Mediacom or another Restricted Subsidiary or any dividend payable in Equity Interests of Mediacom or any Restricted Subsidiary); or (ii) any distribution (whether made in cash, property or securities) on or with respect to any Equity Interests of Mediacom or of any Restricted Subsidiary (other than with respect to Disqualified Equity Interests and other than any distribution made to Mediacom or another Restricted Subsidiary or any distribution payable in Equity Interests of Mediacom or any Restricted Subsidiary); or (iii) any redemption, repurchase, retirement or other direct or indirect acquisition of any Equity Interests of Mediacom (other than Disqualified Equity Interests), or any warrants, rights or options to purchase or acquire any such Equity Interests or any securities exchangeable for or convertible into any such Equity Interests; or (iv) any redemption, repurchase, retirement or other direct or indirect acquisition for value or other payment of principal, prior to any scheduled final maturity, scheduled repayment or scheduled sinking fund payment, of any Subordinated Obligations; or (v) any Investment (other than a Permitted Investment).

The provisions of the first paragraph of this covenant shall not prevent (i) the retirement of any of Mediacom's Equity Interests in exchange for, or out of the proceeds of, the substantially concurrent sale (other than to a Subsidiary of Mediacom or an employee stock ownership plan or to a trust established by Mediacom or any Subsidiary of Mediacom for the benefit of its employees) of Equity Interests of Mediacom; (ii) the payment of any dividend or distribution on, or redemption of Equity Interests within 60 days after the date of declaration of such dividend or distribution or the giving of formal notice of such redemption, if at the date of such declaration or giving of such formal notice such payment or redemption would comply with the provisions of the Indenture; (iii) Investments constituting Restricted Payments made as a result of the receipt of non-cash consideration from any Asset Sale made pursuant to and in compliance with the provisions described under "Repurchase at the Option of Holders--Asset Sales" above; (iv) payments of compensation to officers, directors and employees of Mediacom or any Restricted Subsidiary so long as the Executive Committee or the manager of Mediacom in good faith shall have approved the terms thereof; (v) the payment of dividends on any Equity Interests of any Restricted Subsidiary following the issuance thereof in an amount per annum of up to 6% of the net proceeds received by Mediacom or such Restricted Subsidiary from an Equity Offering of such Equity Interests; (vi) the payment of management, consulting and advisory fees, and any related reimbursement of expenses or indemnity, to Mediacom Management or any Affiliate thereof and other amounts payable pursuant to the Operating Agreement, other than any dividend or distribution (whether made in cash, property or securities) on or with respect to any Equity Interests of Mediacom or any redemption, repurchase, retirement or other direct or indirect acquisition of any Equity Interests of Mediacom, or any warrants, rights or options to purchase or acquire any such Equity Interests or any securities exchangeable for or convertible into any such Equity Interests; (vii) the payment of amounts in connection with any merger, consolidation, or sale of assets effected in accordance with the "--Merger or Sales of Assets" covenant below, provided that no such payment may be made pursuant to this clause (vii) unless, after giving effect to such transaction (and the Incurrence of any Indebtedness in connection therewith and the use of the proceeds thereof), Mediacom would be able to Incur $1.00 of additional Indebtedness in compliance with the first paragraph of "--Limitation on Indebtedness" below such that after incurring that $1.00 of additional Indebtedness, the Debt to Operating Cash Flow Ratio would be less than or equal to 6.0 to 1.0; (viii) the retirement, redemption or repurchase (a "Regulatory Equity Interest Repurchase") of any of Mediacom's Equity Interests pursuant to Article 11 of the Operating Agreement as a result of the occurrence of a Triggering Event (as defined in the Operating Agreement and which relates to certain small business investment company, Federal Communications Commission and other regulatory violations described therein); (ix) the redemption, repurchase, retirement, defeasance or other acquisition of any Subordinated Obligations in exchange for, or out of net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of Mediacom or an employee stock ownership plan or to a trust established by Mediacom or any Subsidiary of Mediacom (for the benefit of its employees) of Equity Interests of Mediacom or Subordinated Obligations of Mediacom; (x) the payment of any dividend or distribution on or distribution on or with respect to any Equity Interests of any Restricted Subsidiary to the holders of its Equity Interests on a pro rata basis; (xi) the making and consummation of (A) an Excess Proceeds Offer in accordance with the provisions of the Indenture with any Excess Proceeds or (B) a Change of Control Offer with respect to the Notes in accordance with the provisions of the Indenture; (xii) during the period Mediacom is treated as a partnership for U.S. federal income tax purposes and after such period to the extent relating to the liability for such period, the payment of distributions in respect of members' or partners' income tax liability with respect to Mediacom in an amount not to exceed the aggregate amount of tax distributions, if any, permitted to be made by Mediacom to its members under the Operating Agreement (such amount not to include amounts in respect of taxes resulting from Mediacom's reorganization as or change in the status to a corporation); (xiii) the payment by any Restricted Subsidiary to Mediacom or another Restricted Subsidiary of principal and interest due in respect of intercompany Indebtedness and dividends and other distributions in respect of Preferred Equity Interests in such Restricted Subsidiary; (xiv) the payment by Mediacom California of all amounts due in respect of the promissory note in the original principal amount of $2.8 million issued to Booth American Company; and (xv) the distribution of any Investment originally made by Mediacom or any Restricted Subsidiary pursuant to the first paragraph of this covenant to holders of Equity Interests of Mediacom or such Restricted Subsidiary, as the case may be; provided, however, that in the case of clauses (ii), (v), (vii), (x), (xi) and (xv) of this paragraph, no Default or Event of Default shall have occurred and be continuing at the time of such Restricted Payment or as a result thereof. In determining the aggregate amount of Restricted Payments made on or after the date of the Indenture, Restricted Payments made pursuant to clauses (ii) and (v) and any Restricted Payment deemed to have been made pursuant to the "--Limitation on Transactions with Affiliates" covenant below shall be included in such calculation.

Limitation on Indebtedness

The Indenture will provide that Mediacom shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, Incur any Indebtedness (including Acquired Indebtedness) or issue any Disqualified Equity Interests except for Permitted Indebtedness; provided, however, that Mediacom or any Restricted Subsidiary may Incur Indebtedness or issue Disqualified Equity Interests if, at the time of and immediately after giving pro forma effect to such Incurrence of Indebtedness or issuance of Disqualified Equity Interests and the application of the proceeds therefrom, the Debt to Operating Cash Flow Ratio would be less than or equal to 7.0 to 1.0.

The foregoing limitations will not apply to the Incurrence of any of the following (collectively, "Permitted Indebtedness"), each of which shall be given independent effect:

(a) Indebtedness under the Notes issued on the date of the Indenture, the Exchange Notes and the Indenture;

(b) Indebtedness and Disqualified Equity Interests of Mediacom and the Restricted Subsidiaries outstanding on the Issue Date other than Indebtedness described in clause (a), (c), (d) or (f) of this paragraph;

(c) (i) Indebtedness of the Restricted Subsidiaries under the Subsidiary Credit Facilities (including any refinancing thereof), and (ii) Indebtedness of the Restricted Subsidiaries (including any refinancing thereof) if, at the time of and immediately after giving pro forma effect to the Incurrence of such Indebtedness and the application of the proceeds therefrom, the Debt to Operating Cash Flow Ratio would be less than or equal to 6.0 to 1.0; provided, however, that for purposes of the calculation of such Ratio, the term "Consolidated Total Indebtedness" shall refer only to the Consolidated Total Indebtedness of the Restricted Subsidiaries (including Indebtedness Incurred under the Subsidiary Credit Facilities and the Future Subsidiary Credit Facilities) outstanding as of the Determination Date (as defined hereafter in the term "Debt to Operating Cash Flow Ratio") and the term "Operating Cash Flow" shall refer only to the Subsidiary Operating Cash Flow of the Restricted Subsidiaries for the related Measurement Period (as defined hereafter in the term "Debt to Operating Cash Flow Ratio");

(d) Indebtedness and Disqualified Equity Interests of (x) any Restricted Subsidiary owed to or issued to and held by Mediacom or any Restricted Subsidiary and (y) Mediacom owed to and held by any Restricted Subsidiary which is unsecured and subordinated in right of payment to the payment and performance of the Issuers' obligations under the Indenture and the Notes; provided, however, that an Incurrence of Indebtedness and Disqualified Equity Interests that is not permitted by this clause (d) shall be deemed to have occurred upon (i) any sale or other disposition of any Indebtedness or Disqualified Equity Interests of Mediacom or a Restricted Subsidiary referred to in this clause (d) to any Person (other than Mediacom or a Restricted Subsidiary), (ii) any sale or other disposition of Equity Interests of a Restricted Subsidiary which holds Indebtedness or Disqualified Equity Interests of Mediacom or another Restricted Subsidiary such that such Restricted Subsidiary ceases to be a Restricted Subsidiary or (iii) any designation of a Restricted Subsidiary which holds Indebtedness or Disqualified Equity Interests of Mediacom as an Unrestricted Subsidiary;

(e) guarantees by any Restricted Subsidiary of Indebtedness of Mediacom or any other Restricted Subsidiary Incurred in accordance with the provisions of the Indenture;

(f) Hedging Agreements of Mediacom or any Restricted Subsidiary relating to any Indebtedness of Mediacom or such Restricted Subsidiary, as the case may be, Incurred in accordance with the provisions of the Indenture; provided that such Hedging Agreements have been entered into for bona fide business purposes and not for speculation;

(g) Indebtedness or Disqualified Equity Interests of Mediacom or any Restricted Subsidiary to the extent representing a replacement, renewal, refinancing or extension (collectively, a "refinancing") of outstanding Indebtedness or Disqualified Equity Interests of Mediacom or any Restricted Subsidiary, as the case may be, Incurred in compliance with the Debt to Operating Cash Flow Ratio of the first paragraph of this covenant or clause (a) or (b) of this paragraph of this covenant; provided, however, that (i) Indebtedness or Disqualified Equity Interests of Mediacom may not be refinanced under this clause (g) with Indebtedness or Disqualified Equity Interests of any Restricted Subsidiary, (ii) any such refinancing shall not exceed the sum of the principal amount or liquidation preference or redemption payment value (or, if such Indebtedness or Disqualified Equity Interests provides for a lesser amount to be due and payable upon a declaration of acceleration thereof at the time of such refinancing, an amount no greater than such lesser amount) of the Indebtedness or Disqualified Equity Interests being refinanced plus the amount of accrued interest or dividends thereon and the amount of any reasonably determined prepayment premium necessary to accomplish such refinancing and such reasonable fees and expenses incurred in connection therewith, (iii) Indebtedness representing a refinancing of Indebtedness of Mediacom shall have a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of the Indebtedness being refinanced, (iv) Subordinated Obligations of Mediacom or Disqualified Equity Interests of Mediacom may only be refinanced with Subordinated Obligations of Mediacom or Disqualified Equity Interests of Mediacom, and (v) Other Pari Passu Debt which is unsecured may only be refinanced with unsecured Indebtedness, which is either Other Pari Passu Debt or Subordinated Obligations, or with Disqualified Equity Interests;

(h) Indebtedness of Mediacom or a Restricted Subsidiary Incurred as a result of the pledge by Mediacom or such Restricted Subsidiary of intercompany indebtedness or Equity Interests in another Restricted Subsidiary or Equity Interests in an Unrestricted Subsidiary in the circumstance where recourse to Mediacom or such Restricted Subsidiary is limited to the value of the intercompany Indebtedness or the Equity Interests so pledged;

(i) Indebtedness of Mediacom or a Restricted Subsidiary represented by Capitalized Lease Obligations, mortgage financings, purchase money obligations or letters of credit, in each case Incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property, plant or equipment used in the business of Mediacom or such Restricted Subsidiary or a Related Business in an aggregate principal amount not to exceed $15.0 million at any time outstanding;

(j) Indebtedness of Mediacom Incurred to finance (including any refinancing thereof) one or more Regulatory Equity Interest Repurchases occurring in accordance with and pursuant to the Operating Agreement; and

(k) In addition to any Indebtedness described in clauses (a) through (j) above, Indebtedness of Mediacom or any of the Restricted Subsidiaries so long as the aggregate principal amount of all such Indebtedness incurred pursuant to this clause (k) does not exceed $10.0 million at any one time outstanding.

For purposes of determining compliance with this covenant, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Indebtedness described in clauses (a) through (k) above or is entitled to be incurred pursuant to the first paragraph of this covenant, Mediacom shall, in its sole discretion, classify such item of Indebtedness in any manner that complies with this covenant and such item of Indebtedness shall be treated as having been incurred pursuant to only one of such clauses or pursuant to the first paragraph hereof.

Limitation on Transactions with Affiliates

The Indenture will provide that Mediacom shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, engage in any transaction (or series of related transactions) involving in the aggregate $5.0 million or more with any Affiliate unless such transaction (or series of related transactions) shall have been approved pursuant to a Committee Resolution rendered in good faith by the Executive Committee or, if applicable, a committee comprising the independent members of the Executive Committee, which approval in each case shall be conclusive, to the effect that such transaction (or series of related transactions) is (a) in the best interest of Mediacom or such Restricted Subsidiary and (b) upon terms which would be obtainable by Mediacom or a Restricted Subsidiary in a comparable arm's-length transaction with a Person which is not an Affiliate, except that the foregoing shall not apply in the case of any of the following transactions (the "Specified Affiliate Transactions"): (i) the making of any Restricted Payment (including the making of any Permitted Investment that is permitted pursuant to "--Limitation on Restricted Payments"); (ii) any transaction or series of transactions between Mediacom and one or more Restricted Subsidiaries or between two or more Restricted Subsidiaries; (iii) the payment of compensation (including, without limitation, amounts paid pursuant to employee benefit plans) for the personal services of, and indemnity provided on behalf of, officers, members, directors and employees of Mediacom or any Restricted Subsidiary, and management, consulting or advisory fees and reimbursements of expenses and indemnity in each case so long as the Executive Committee in good faith shall have approved the terms thereof and deemed the services theretofore or thereafter to be performed for such compensation or fees to be fair consideration therefor; (iv) any payments for goods or services purchased in the ordinary course of business, upon terms which would be obtainable by Mediacom or a Restricted Subsidiary in a comparable arm's-length transaction with a Person which is not an Affiliate; and (v) any transaction pursuant to any agreement with any Affiliate in effect on the date of the Indenture (including, but not limited to, the Operating Agreement and other agreements relating to the payment of management fees, acquisition fees and expense reimbursements), including any amendments thereto entered into after the date of the Indenture, provided, that the terms of any such amendment are not less favorable to Mediacom than the terms of the relevant agreement in effect prior to any such amendment, as determined in good faith by the Executive Committee. The Indenture will further provide that, except in the case of a Specified Affiliate Transaction, Mediacom shall not, and shall not permit any Restricted Subsidiary, directly or indirectly, to engage in any transaction (or series of related transactions) involving in the aggregate $25.0 million or more with any Affiliate unless (i) such transaction (or series of related transactions) shall have been approved pursuant to a Committee Resolution rendered in good faith by the Executive Committee or, if applicable, a committee comprising the independent members of the Executive Committee to the effect set forth in clauses (a) and (b) above; and (ii) Mediacom shall have received an opinion from an independent nationally recognized accounting, appraisal or investment banking firm experienced in the review of similar types of transactions stating that the terms of such transaction (or series of related transactions) are fair to Mediacom or such Restricted Subsidiary, as the case may be, from a financial point of view. Notwithstanding the foregoing, any transaction (or series of related transactions) entered into by Mediacom or any Restricted Subsidiary with any Affiliate without complying with the foregoing provisions of this covenant shall not constitute a violation of the provisions of this covenant if Mediacom or such Restricted Subsidiary would be permitted to make a Restricted Payment pursuant to the first paragraph of "--Limitation on Restricted Payments" at the time of the completion of such transaction (or series of related transactions) in an amount equal to the fair market value of such transaction (or series of related transactions), as determined in good faith by the Executive Committee, whose determination shall be conclusive and evidenced by a Committee Resolution. In such a case, Mediacom or such Restricted Subsidiary, as the case may be, shall be deemed to have made a Restricted Payment for purposes of the calculation of Restricted Payments pursuant to clause (iii) of the first paragraph of "--Limitation on Restricted Payments."

Limitation on Liens

The Indenture will provide that Mediacom shall not Incur any Indebtedness secured by a Lien against or on any of its property or assets now owned or hereafter acquired by Mediacom unless contemporaneously therewith effective provision is made to secure the Notes equally and ratably with such secured Indebtedness. This restriction does not, however, apply to Indebtedness secured by (i) Liens, if any, in effect on the date of the Indenture; (ii) Liens in favor of governmental bodies to secure progress or advance payments; (iii) Liens on Equity Interests or Indebtedness existing at the time of the acquisition thereof (including acquisition through merger or consolidation), provided that such Liens were not Incurred in anticipation of such acquisition; (iv) Liens securing industrial revenue or pollution control bonds; (v) Liens securing the Notes; (vi) Liens securing Indebtedness of Mediacom in an amount not to exceed $10.0 million at any time outstanding; (vii) Other Permitted Liens; and (viii) any extension, renewal or replacement of any Lien referred to in the foregoing clauses (i) through (vii), inclusive.

Limitation on Business Activities of Mediacom Capital

The Indenture will provide that Mediacom Capital shall not hold any material assets, become liable for any material obligations, engage in any trade or business, or conduct any business activity, other than the issuance of Equity Interests to Mediacom or any Wholly Owned Restricted Subsidiary, the Incurrence of Indebtedness as a co-obligor or guarantor of Indebtedness Incurred by Mediacom, including the Notes and the Exchange Notes, if any, that is permitted to be Incurred by Mediacom under "--Limitation on Indebtedness" above (provided that the net proceeds of such Indebtedness are retained by Mediacom or loaned to or contributed as capital to one or more of the Restricted Subsidiaries other than Mediacom Capital), and activities incidental thereto. Neither Mediacom nor any Restricted Subsidiary shall engage in any transactions with Mediacom Capital in violation of the immediately preceding sentence.

Designation of Unrestricted Subsidiaries

The Indenture will provide that Mediacom may designate any Subsidiary (including any newly acquired or newly formed Subsidiary or a Person becoming a Subsidiary through merger or consolidation or Investment therein) as an "Unrestricted Subsidiary" under the Indenture (a "Designation") only if (a) no Default or Event of Default shall have occurred and be continuing at the time of or after giving effect to such Designation; (b) at the time of and after giving effect to such Designation, Mediacom would be able to Incur $1.00 of additional Indebtedness under the Debt to Operating Cash Flow Ratio of the first paragraph of "--Limitation on Indebtedness" above; and (c) Mediacom would be permitted to make a Restricted Payment at the time of Designation (assuming the effectiveness of such Designation) pursuant to the first paragraph of "--Limitation on Restricted Payments" above in an amount (the "Designation Amount") equal to Mediacom's proportionate interest in the fair market value of such Subsidiary on such date (as determined in good faith by the Executive Committee, whose determination shall be conclusive and evidenced by a Committee Resolution). Notwithstanding the foregoing, neither Mediacom Capital nor any of its Subsidiaries may be designated as Unrestricted Subsidiaries.

The Indenture will further provide that at the time of Designation all of the Indebtedness of such Unrestricted Subsidiary shall consist of, and will at all times thereafter consist of, Non-Recourse Indebtedness, and that neither Mediacom nor any Restricted Subsidiary shall at any time have any direct or indirect obligation to (x) make additional Investments (other than Permitted Investments) in any Unrestricted Subsidiary or (y) maintain or preserve the financial condition of any Unrestricted Subsidiary or cause any Unrestricted Subsidiary to achieve any specified levels of operating results or (z) be party to any agreement, contract, arrangement or understanding with any Unrestricted Subsidiary unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to Mediacom or such Restricted Subsidiary than those that might be obtained, in light of all the circumstances, at the time from Persons who are not Affiliates of Mediacom. If, at any time, any Unrestricted Subsidiary would violate the foregoing requirements, it shall thereafter cease to be an Unrestricted Subsidiary for purposes of the Indenture and any Indebtedness of such Subsidiary shall be deemed to be Incurred as of such date.

Mediacom may revoke any Designation of a Subsidiary as an Unrestricted Subsidiary (a "Revocation") if (a) no Default or Event of Default shall have occurred and be continuing at the time of or after giving effect to such Revocation; (b) at the time of and after giving effect to such Revocation, Mediacom would be able to Incur $1.00 of additional Indebtedness under the Debt to Operating Cash Flow Ratio of the first paragraph of "--Limitation on Indebtedness" above; and (c) all Liens and Indebtedness of such Unrestricted Subsidiary outstanding immediately following such Revocation would, if Incurred at such time, have been permitted to be Incurred for all purposes of the Indenture.

All Designations and Revocations must be evidenced by Committee Resolutions delivered to the Trustee certifying compliance with the foregoing provisions.

Limitation on Guarantees of Certain Indebtedness

The Indenture will provide that Mediacom shall not (a) permit any Restricted Subsidiary to guarantee any Indebtedness of either Issuer other than the Notes (the "Other Indebtedness"), or (b) pledge any intercompany Indebtedness representing obligations of any of its Restricted Subsidiaries to secure the payment of Other Indebtedness, in each case unless such Restricted Subsidiary, the Issuers and the Trustee execute and deliver a supplemental indenture causing such Restricted Subsidiary to guarantee the Issuers' obligations under the Indenture and the Notes to the same extent that such Restricted Subsidiary guaranteed the Issuers' obligations under the Other Indebtedness (including waiver of subrogation, if any). Thereafter, such Restricted Subsidiary shall be a Guarantor for all purposes of the Indenture.

The guarantee of a Restricted Subsidiary will be released upon (i) the sale of all of the Equity Interests, or all or substantially all of the assets, of the applicable Guarantor (in each case other than to Mediacom or a Subsidiary), (ii) the designation by Mediacom of the applicable Guarantor as an Unrestricted Subsidiary, or (iii) the release of the guarantee of such Guarantor with respect to the obligations which caused such Guarantor to deliver a guarantee of the Notes in accordance with the preceding paragraph, in each case in compliance with the Indenture (including, in the event of a sale of Equity Interests or assets described in clause (i) above, that the net cash proceeds are applied in accordance with the requirements of the applicable provision of the Indenture described under "Repurchase at the Option of Holders--Asset Sales" above).

Limitation on Dividends and Other Payment Restrictions Affecting Subsidiaries

The Indenture will provide that Mediacom shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any Restricted Subsidiary to (a) pay dividends or make any other distributions to Mediacom or any Restricted Subsidiary on its Equity Interests; (b) pay any Indebtedness owed to Mediacom or any Restricted Subsidiary; (c) make loans or advances, or guarantee any such loans or advances, to Mediacom or any Restricted Subsidiary; (d) transfer any of its properties or assets to Mediacom or any Restricted Subsidiary; (e) grant Liens on the assets of Mediacom or any Restricted Subsidiary in favor of the holders of the Notes; or (f) guarantee the Notes or any renewals or refinancings thereof (any of the actions described in clauses (a) through (f) above is referred to herein as a "Specified Action"), except for (i) such encumbrances or restrictions arising by reason of Acquired Indebtedness of any Restricted Subsidiary existing at the time such Person became a Restricted Subsidiary, provided that such encumbrances or restrictions were not created in anticipation of such Person becoming a Restricted Subsidiary and are not applicable to Mediacom or any other Restricted Subsidiary, (ii) such encumbrances or restrictions arising under refinancing Indebtedness permitted by clause (g) of the second paragraph under "--Limitation on Indebtedness" above; provided that the terms and conditions of any such restrictions are no less favorable to the holders of Notes than those under the Indebtedness being refinanced, (iii) customary provisions restricting the assignment of any contract or interest of Mediacom or any Restricted Subsidiary, (iv) restrictions contained in the Indenture or any other indenture governing debt securities that are no more restrictive than those contained in the Indenture, and (v) restrictions under the Subsidiary Credit Facilities and under the Future Subsidiary Credit Facilities, provided that, in the case of any Future Subsidiary Credit Facility Mediacom shall have used commercially reasonable efforts to include in the agreements relating to such Future Subsidiary Credit Facility provisions concerning the encumbrance or restriction on the ability of any Restricted Subsidiary to take any Specified Action that are no more restrictive than those in effect in the Subsidiary Credit Facilities on the date of the creation of the applicable restriction in such Future Subsidiary Credit Facility ("Comparable Restriction Provisions"), and provided further that if Mediacom shall conclude in its sole discretion based on then prevailing market conditions that it is not in the best interest of Mediacom and the Restricted Subsidiaries to comply with the foregoing proviso, the failure to include Comparable Restriction Provisions in the agreements relating to such Future Subsidiary Credit Facility shall not constitute a violation of the provisions of this covenant.

Reports

The Indenture will provide that, whether or not the Issuers are then subject to Section 13(a) or 15(d) of the Exchange Act or any successor provision thereto, the Issuers shall file with the SEC (if permitted by SEC practice and applicable law and regulations) so long as the Notes are outstanding the annual reports, quarterly reports and other periodic reports which the Issuers would have been required to file with the SEC pursuant to Section 13(a) or 15(d) or any successor provision thereto if the Issuers were so subject on or prior to the respective dates (the "Required Filing Dates") by which the Issuers would have been required to file such documents if the Issuers were so subject. The Issuers shall also in any event (a) within 15 days of each Required Filing Date (whether or not permitted or required to be filed with the SEC) (i) transmit or cause to be transmitted by mail to all holders of Notes, at such holder's address appearing in the register maintained by the Registrar, without cost to such holders, and (ii) file with the Trustee, copies of the annual reports, quarterly reports and other documents which the Issuers are required to file with the SEC pursuant to the preceding sentence, or if such filing is not so permitted, information and data of a similar nature, and (b) if, notwithstanding the preceding sentence, filing such documents by the Issuers with the SEC is not permitted by SEC practice or applicable law or regulations, promptly upon written request supply copies of such documents to any holder of Notes. In addition, for so long as any Notes remain outstanding and prior to the later of the consummation of the Exchange Offer and the effectiveness of the Shelf Registration Statement, if required, the Issuers shall furnish to holders and to securities analysts and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

Merger or Sales of Assets

The Indenture will provide that neither of the Issuers shall consolidate or merge with or into, or transfer all or substantially all of its assets to, another Person unless (i) either (A) such Issuer shall be the continuing Person, or (B) the Person formed by or surviving any such consolidation or merger (if other than such Issuer), or to which any such transfer shall have been made, is a corporation, limited liability company or limited partnership organized and existing under the laws of the United States, any State thereof or the District of Columbia; (ii) the surviving Person (if other than such Issuer) expressly assumes by supplemental indenture all the obligations of such Issuer under the Notes and the Indenture; (iii) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing; (iv) immediately after giving effect to such transaction, the surviving Person would be able to Incur $1.00 of additional Indebtedness under the Debt to Operating Cash Flow Ratio of the first paragraph of "--Limitation on Indebtedness" above; and (v) Mediacom shall have delivered to the Trustee prior to the proposed transaction an Officers' Certificate and an Opinion of Counsel, each stating that the proposed consolidation, merger or transfer and such supplemental indenture will comply with the Indenture.

The Indenture will provide that no Guarantor shall consolidate or merge with or into, or transfer all or substantially all of its assets to, another Person unless (i) either (A) such Guarantor shall be the continuing Person, or (B) the Person formed by or surviving any such consolidation or merger (if other than such Guarantor), or to which any such transfer shall have been made, is a corporation, limited liability company or limited partnership organized and existing under the laws of the United States, any State thereof or the District of Columbia; (ii) the surviving Person (if other than such Guarantor) expressly assumes by supplemental indenture all the obligations of such Guarantor under its guarantee of the Notes and the Indenture; (iii) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing; and (iv) Mediacom shall have delivered to the Trustee prior to the proposed transaction an Officers' Certificate and an Opinion of Counsel, each stating that the proposed consolidation, merger or transfer and such supplemental indenture will comply with the Indenture.

CERTAIN DEFINITIONS

Set forth below is a summary of certain of the defined terms used in the covenants contained in the Indenture. Reference is made to the Indenture for the full definition of all such terms as well as any other capitalized terms used herein for which no definition is provided.

"Acquired Indebtedness" means Indebtedness of a Person existing at the time such Person becomes a Restricted Subsidiary or assumed in connection with an Asset Acquisition from such Person and not Incurred in connection with, or in anticipation of, such Person becoming a Restricted Subsidiary or such Asset Acquisition.

"Affiliate" means (i) any Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, Mediacom; (ii) any spouse, immediate family member or other relative who has the same principal residence as any Person described in clause (i) above; (iii) any trust in which any such Persons described in clauses (i) and (ii) above has a beneficial interest; and (iv) any corporation or other organization of which any such Persons described above collectively owns 5% or more of the equity of such entity. For purposes of this definition, "control " (including, with correlative meaning, the terms "controlling," "controlled by " and "under common control with ") when used with respect to any specified Person includes the direct or indirect beneficial ownership of more than 5% of the voting securities of such Person or the power to direct or cause the direction of the management and policies of such Person whether by contract or otherwise.

"Asset Acquisition" means (i) an Investment by Mediacom or any Restricted Subsidiary in any other Person pursuant to which such Person shall become a Restricted Subsidiary or shall be consolidated or merged with or into Mediacom or any Restricted Subsidiary, or (ii) any acquisition by Mediacom or any Restricted Subsidiary of the assets of any Person which constitute substantially all of an operating unit, a division or a line of business of such Person or which is otherwise outside of the ordinary course of business.

"Asset Sale" means any direct or indirect sale, conveyance, transfer, lease (that has the effect of a disposition) or other disposition (including, without limitation, any merger, consolidation or sale-leaseback transaction) to any Person other than Mediacom or any Wholly Owned Restricted Subsidiary or any Controlled Subsidiary, in one transaction or a series of related transactions, of

(i) any Equity Interest of any Restricted Subsidiary, (ii) any material license, franchise or other authorization of Mediacom or any Restricted Subsidiary, (iii) any assets of Mediacom or any Restricted Subsidiary which constitute substantially all of an operating unit, a division or a line of business of Mediacom or any Restricted Subsidiary or (iv) any other property or asset of Mediacom or any Restricted Subsidiary outside of the ordinary course of business. For the purposes of this definition, the term "Asset Sale" shall not include (i) any transaction consummated in compliance with "Repurchase at the Option of Holders--Change of Control" above and "Covenants--Merger or Sales of Assets" above, and the creation of any Lien not prohibited under "Covenants--Limitation on Liens" above, (ii) the sale of property or equipment that has become worn out, obsolete or damaged or otherwise unsuitable for use in connection with the business of Mediacom or any Restricted Subsidiary, as the case may be, (iii) any transaction consummated in compliance with "Covenants--Limitation on Restricted Payments" above, and (iv) Asset Swaps permitted pursuant to "Repurchase at the Option of Holders--Asset Sales." In addition, solely for purposes of "Repurchase at the Option of Holders--Asset Sales" above, any sale, conveyance, transfer, lease or other disposition, whether in one transaction or a series of related transactions, involving assets with a fair market value not in excess of $2.0 million in any fiscal year shall be deemed not to be an Asset Sale.

"Asset Sale Proceeds" means, with respect to any Asset Sale, (i) cash received by Mediacom or any of its Restricted Subsidiaries from such Asset Sale (including cash received as consideration for the assumption of liabilities incurred in connection with or in anticipation of such Asset Sale), after (a) provision for all income or other taxes measured by or resulting from such Asset Sale, (b) payment of all brokerage commissions, underwriting, legal, accounting and other fees and expenses related to such Asset Sale, and any relocation expenses incurred as a result thereof, (c) provision for minority interest holders in any Restricted Subsidiary as a result of such Asset Sale by such Restricted Subsidiary, (d) payment of amounts required to be applied to the repayment of Indebtedness secured by a Lien on the asset or assets that were the subject of such Asset Sale (including payments made to obtain or avoid the need for the consent of any holder of such Indebtedness), and (e) deduction of appropriate amounts to be provided by Mediacom or such Restricted Subsidiary as a reserve, in accordance with generally accepted accounting principles consistently applied, against any liabilities associated with the assets sold or disposed of in such Asset Sale and retained by Mediacom or such Restricted Subsidiary after such Asset Sale, including, without limitation, pension and other post employment benefit liabilities and liabilities related to environmental matters or against any indemnification obligations associated with the assets sold or disposed of in such Asset Sale; and (ii) promissory notes and other non-cash consideration received by Mediacom or any Restricted Subsidiary from such Asset Sale or other disposition upon the liquidation or conversion of such notes or non-cash consideration into cash.

"Asset Swap" means the substantially concurrent purchase and sale, or exchange, of Productive Assets between Mediacom or any of the Restricted Subsidiaries and another Person or group of affiliated Persons (which Person or group of affiliated Persons is not affiliated with Mediacom and the Restricted Subsidiaries) pursuant to an Asset Swap Agreement; it being understood that an Asset Swap may include a cash equalization payment made in connection therewith, provided that such cash payment, if received by Mediacom or any of the Restricted Subsidiaries, shall be deemed to be proceeds received from an Asset Sale and shall be applied in accordance with "Repurchase at the Option of Holders--Asset Sales."

"Asset Swap Agreement" means a definitive agreement, subject only to customary closing conditions that Mediacom in good faith believes will be satisfied, providing for an Asset Swap; provided, however, that any amendment to, or waiver of, any closing condition that individually or in the aggregate is material to such Asset Swap shall be deemed to be a new Asset Swap.

"Available Asset Sale Proceeds" means, with respect to any Asset Sale, the aggregate Asset Sale Proceeds from such Asset Sale that have not been applied in accordance with clause (iii)(a) and that have not yet been the basis for application in accordance with clause (iii)(b) of the first paragraph of "Repurchase at the Option of Holders--Asset Sales" above.

"Capitalized Lease Obligations" means Indebtedness represented by obligations under a lease that is required to be capitalized for financial reporting purposes in accordance with generally accepted accounting principles and the amount of such Indebtedness shall be the capitalized amount of such obligations determined in accordance with generally accepted accounting principles consistently applied.

"Cash Equivalents" means (i) United States dollars; (ii) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof having maturities of not more than six months from the date of acquisition; (iii) certificates of deposit and eurodollar time deposits with maturities of six months or less from the date of acquisition, bankers' acceptances with maturities not exceeding six months and overnight bank deposits, in each case with any lender party to any Subsidiary Credit Facility or any Future Subsidiary Credit Facility or with any domestic commercial bank having capital and surplus in excess of $500.0 million; (iv) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (ii) and (iii) above entered into with any financial institution meeting the qualifications specified in clause (iii) above; (v) commercial paper having a rating of at least P-1 from Moody's or a rating of at least A-1 from S&P; and (vi) money market mutual or similar funds having assets in excess of $100.0 million, at least 95% of the assets of which are comprised of assets specified in clauses (i) through (v) above.

"Committee Resolution" means with respect to Mediacom, a duly adopted resolution of the Executive Committee of Mediacom.

"Consolidated Income Tax Expense" means, with respect to Mediacom for any period, the provision for federal, state, local and foreign income taxes payable by Mediacom and the Restricted Subsidiaries for such period as determined on a consolidated basis in accordance with generally accepted accounting principles consistently applied.

"Consolidated Interest Expense" means, with respect to Mediacom and the Restricted Subsidiaries for any period, without duplication, the sum of (i) the interest expense of Mediacom and the Restricted Subsidiaries for such period as determined on a consolidated basis in accordance with generally accepted accounting principles consistently applied, including, without limitation, amortization of original issued discount on any Indebtedness and the interest portion of any deferred payment obligation and after taking into account the effect of elections made under any Hedging Agreements, however denominated, with respect to such Indebtedness; (ii) the interest component of Capitalized Lease Obligations paid, accrued and/or scheduled to be paid or accrued by Mediacom and the Restricted Subsidiaries during such period as determined on a consolidated basis in accordance with generally accepted accounting principles consistently applied; and (iii) dividends and distributions in respect of Disqualified Equity Interests actually paid in cash by Mediacom and the Restricted Subsidiaries during such period as determined on a consolidated basis in accordance with generally accepted accounting principles consistently applied. For purposes of this definition, interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by Mediacom to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with generally accepted accounting principles consistently applied.

"Consolidated Net Income" means, with respect to any period, the net income (loss) of Mediacom and the Restricted Subsidiaries for such period determined on a consolidated basis in accordance with generally accepted accounting principles consistently applied, adjusted, to the extent included in calculating such net income (loss), by excluding, without duplication, (i) all extraordinary, unusual or nonrecurring items of income or expense and of gains or losses and all gains and losses from the sale or other disposition of assets out of the ordinary course of business (net of taxes, fees and expenses relating to the transaction giving rise thereto) for such period; (ii) that portion of such net income (loss) derived from or in respect of Investments in Persons other than any Restricted Subsidiary, except to the extent actually received in cash by Mediacom or any Restricted Subsidiary; (iii) the portion of such net income (loss) allocable to minority interests in unconsolidated Persons for such period, except to the extent actually received in cash by Mediacom or any Restricted Subsidiary; (iv) net income (loss) of any other Person combined with Mediacom or any Restricted Subsidiary on a "pooling of interests" basis attributable to any period prior to the date of combination; (v) net income (loss) of any Restricted Subsidiary to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that net income (loss) is not at the date of determination permitted without any prior governmental approval (which has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or the holders of its Equity Interests; (vi) the cumulative effect of a change in accounting principles after the date of the Indenture; (vii) net income (loss) attributable to discontinued operations; (viii) management fees payable to the "manager" as defined in the Operating Agreement and to Mediacom Management and its Affiliates pursuant to management agreements with Subsidiaries of Mediacom accrued for such period that have not been paid during such period; and (ix) any other item of expense, other than "interest expense," which appears on Mediacom's consolidated statement of income (loss) below the line item "Operating Income," determined on a consolidated basis in accordance with generally accepted accounting principles consistently applied.

"Consolidated Total Indebtedness" means, as at any date of determination, an amount equal to the aggregate amount of all outstanding Indebtedness and the aggregate liquidation preference or redemption payment value of all Disqualified Equity Interests of Mediacom and the Restricted Subsidiaries outstanding as of such date of determination, less the obligations of Mediacom or any Restricted Subsidiary under any Hedging Agreement as of such date of determination that would appear as a liability on the balance sheet of such Person, in each case determined on a consolidated basis in accordance with generally accepted accounting principles consistently applied.

"Continuing Member" means, as of the date of determination, any Person who (i) was a member of the Executive Committee of Mediacom on the date of the Indenture, (ii) was nominated for election or elected to the Executive Committee of Mediacom 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.

"Controlled Subsidiary" means a Restricted Subsidiary which is engaged in a Related Business (i) 80% or more of the outstanding Equity Interests of which (other than Equity Interests constituting directors' qualifying shares to the extent mandated by applicable law) are owned by Mediacom or by one or more Wholly Owned Restricted Subsidiaries or Controlled Subsidiaries or by Mediacom and one or more Wholly Owned Restricted Subsidiaries or Controlled Subsidiaries, (ii) of which Mediacom possesses, directly or indirectly, the power to direct or cause the direction of the management or policies, whether through the ownership of Voting Equity Interests, by agreement or otherwise, and (iii) all of whose Indebtedness is Non-Recourse Indebtedness.

"Cumulative Credit" means the sum of (i) $10.0 million, plus (ii) the aggregate Net Cash Proceeds received by Mediacom or a Restricted Subsidiary from the issue or sale (other than to a Restricted Subsidiary) of Equity Interests of Mediacom or a Restricted Subsidiary (other than Disqualified Equity Interests) on or after April 1, 1998, plus (iii) the principal amount (or accreted amount (determined in accordance with generally accepted accounting principles), if less) of any Indebtedness, or the liquidation preference or redemption payment value of any Disqualified Equity Interests, of Mediacom or any Restricted Subsidiary which has been converted into or exchanged for Equity Interests of Mediacom or a Restricted Subsidiary (other than Disqualified Equity Interests) on or after April 1, 1998, plus (iv) cumulative Operating Cash Flow on or after April 1, 1998, to the end of the fiscal quarter immediately preceding the date of the proposed Restricted Payment, or, if cumulative Operating Cash Flow for such period is negative, minus the amount by which cumulative Operating Cash Flow is less than zero, plus (v) to the extent not already included in Operating Cash Flow, if any Investment constituting a Restricted Payment that was made after the date of the Indenture is sold or otherwise liquidated or repaid or any Unrestricted Subsidiary which was designated as an Unrestricted Subsidiary after the date of the Indenture is sold or otherwise liquidated, the fair market value of such Restricted Payment (less the cost of disposition, if any) on the date of such sale, liquidation or repayment, as determined in good faith by the Executive Committee, whose determination shall be conclusive and evidenced by a Committee Resolution, plus (vi) if any Unrestricted Subsidiary is redesignated as a Restricted Subsidiary, the value of the Restricted Payment that would result if such Subsidiary were redesignated as an Unrestricted Subsidiary at such time, determined in accordance with the provisions described under "Covenants--Designation of Unrestricted Subsidiaries" above.

"Cumulative Interest Expense" means the aggregate amount of Consolidated Interest Expense paid or accrued of the Issuers and the Restricted Subsidiaries on or after April 1, 1998, to the end of the fiscal quarter immediately preceding the proposed Restricted Payment.

"Debt to Operating Cash Flow Ratio" means the ratio of (i) the Consolidated Total Indebtedness as of the date of calculation (the "Determination Date") to (ii) four times the Operating Cash Flow for the latest three months for which financial information is available immediately preceding such Determination Date (the "Measurement Period"). For purposes of calculating Operating Cash Flow for the Measurement Period immediately prior to the relevant Determination Date, (I) any Person that is a Restricted Subsidiary on the Determination Date (or would become a Restricted Subsidiary on such Determination Date in connection with the transaction that requires the determination of such Operating Cash Flow) will be deemed to have been a Restricted Subsidiary at all times during such Measurement Period; (II) any Person that is not a Restricted Subsidiary on such Determination Date (or would cease to be a Restricted Subsidiary on such Determination Date in connection with the transaction that requires the determination of such Operating Cash Flow) will be deemed not have been a Restricted Subsidiary at any time during such Measurement Period; and (III) if Mediacom or any Restricted Subsidiary shall have in any manner (x) acquired (including through an Asset Acquisition or the commencement of activities constituting such operating business) or (y) disposed of (including by way of an Asset Sale or the termination or discontinuance of activities constituting such operating business) any operating business during such Measurement Period or after the end of such period and on or prior to such Determination Date, such calculation will be made on a pro forma basis in accordance with generally accepted accounting principles consistently applied, as if, in the case of an Asset Acquisition or the commencement of activities constituting such operating business, all such transactions had been consummated on the first day of such Measurement Period, and, in the case of an Asset Sale or termination or discontinuance of activities constituting such operating business, all such transactions had been consummated prior to the first day of such Measurement Period.

"Disqualified Equity Interest" means (i) any Equity Interest issued by Mediacom which, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable at the option of the holder thereof), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof (except, in each such case, upon the occurrence of a Change of Control or a Regulatory Equity Interest Repurchase), in whole or in part, or is exchangeable into Indebtedness, on or prior to the earlier of the maturity date of the Notes or the date on which no Notes remain outstanding; and (ii) any Equity Interest issued by any Restricted Subsidiary which, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable at the option of the holder thereof), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof, in whole or in part, or is exchangeable into Indebtedness.

"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, including any Preferred Equity Interests.

"Equity Offering" means a public or private offering by Mediacom or a Restricted Subsidiary for cash of its respective Equity Interests (other than Disqualified Equity Interests) or options, warrants or rights with respect to such Equity Interests.

"Excess Proceeds" means, with respect to any Asset Sale, the then Available Asset Sale Proceeds less any such Available Asset Sale Proceeds that are required to be applied and are applied in accordance with clause (iii)(b)(1) of the first paragraph of "Repurchase at the Option of Holders--Asset Sales" above.

"Executive Committee" means (i) so long as Mediacom is a limited liability company, (x) while the Operating Agreement is in effect, the Executive Committee authorized thereunder, and (y) at any other time, the manager or board of managers of Mediacom, or management committee or similar governing body responsible for the management of the business and affairs of Mediacom; (ii) if Mediacom were to be reorganized as a corporation, the board of directors of Mediacom; and (iii) if Mediacom were to be reorganized as a partnership, the board of directors of the corporate general partner of such partnership (or if such general partner is itself a partnership, the board of directors of such general partner's corporate general partner).

"Future Subsidiary Credit Facilities" means one or more debt facilities (other than the Subsidiary Credit Facilities) entered into from time to time after the date of the Indenture by one or more Restricted Subsidiaries or groups of Restricted Subsidiaries with banks or other institutional lenders, together with all loan documents and instruments thereunder (including, without limitation, any guarantee agreements and security documents), including any amendment (including any amendment and restatement), modification or supplement thereto or any refinancing, refunding, deferral, renewal, extension or replacement thereof (including, in any such case and without limitation, adding or removing Subsidiaries of Mediacom as borrowers or guarantors thereunder), whether by the same or any other lender or group of lenders.

"Guarantor" means any Subsidiary of Mediacom that guarantees the Issuers' obligations under the Indenture and the Notes issued after the date of the Indenture pursuant to "Covenants--Limitation on Guarantees of Certain Indebtedness" above.

"Hedging Agreement" means any interest rate swap agreement, interest rate cap agreement, interest rate collar agreement or other similar agreement providing for the transfer or mitigation of interest rate risks either generally or under specific contingencies.

"Incur" means, with respect to any Indebtedness or other obligation of any Person, to create, issue, incur (including by conversion, exchange or otherwise), assume, guarantee or otherwise become liable in respect of such Indebtedness or other obligation or the recording, as required pursuant to generally accepted accounting principles or otherwise, of any such Indebtedness or other obligation on the balance sheet of such Person (and "Incurrence", "Incurred" and "Incurring" shall have meanings correlative to the foregoing). Indebtedness of any Person or any of its Subsidiaries existing at the time such Person becomes a Restricted Subsidiary (or is merged into or consolidates with Mediacom or any Restricted Subsidiary), whether or not such Indebtedness was incurred in connection with, or in contemplation of, such Person becoming a Restricted Subsidiary (or being merged into or consolidated with Mediacom or any Restricted Subsidiary), shall be deemed Incurred at the time any such Person becomes a Restricted Subsidiary or merges into or consolidates with Mediacom or any Restricted Subsidiary.

"Indebtedness" means, with respect to any Person, without duplication, any indebtedness, secured or unsecured, contingent or otherwise, in respect of borrowed money (whether or not the recourse of the lender is to the whole of the assets of such Person or only to a portion thereof), or evidenced by bonds, notes, debentures or similar instruments or letters of credit or representing the deferred and unpaid balance of the purchase price of property or services (but excluding trade payables incurred in the ordinary course of business and non-interest bearing installment obligations and other accrued liabilities arising in the ordinary course of business) if and to the extent any of the foregoing indebtedness would appear as a liability upon a balance sheet of such Person prepared in accordance with generally accepted accounting principles, and shall also include, to the extent not otherwise included (but without duplication), (i) any Capitalized Lease Obligations, (ii) obligations secured by a lien to which any property or assets owned or held by such Person is subject, whether or not the obligation or obligations secured thereby shall have been assumed, (iii) guarantees of items of other Persons which would be included within this definition for such other Persons (whether or not such items would appear upon the balance sheet of the guarantor), and (iv) obligations of Mediacom or any Restricted Subsidiary under any Hedging Agreement applicable to any of the foregoing (if and only to the extent any amount due in respect of such Hedging Agreement would appear as a liability upon a balance sheet of such Person prepared in accordance with generally accepted accounting principles). Indebtedness (i) shall not include obligations under performance bonds, performance guarantees, surety bonds and appeal bonds, letters of credit or similar obligations, Incurred in the ordinary course of business, including in connection with pole rental or conduit attachments and the like or the requirements of cable television franchising authorities, and otherwise consistent with industry practice; (ii) shall not include obligations of any Person (x) arising from the honoring by a bank or other financial institution of a check, draft or other similar instrument inadvertently drawn against insufficient funds in the ordinary course of business, provided such obligations are extinguished within five business days of their Incurrence, (y) resulting from the endorsement of negotiable instruments for collection in the ordinary course of business and consistent with past practice and (z) under stand-by letters of credit to the extent collateralized by cash or Cash Equivalents; and (iii) which provides that an amount less than the principal amount thereof shall be due upon any declaration of acceleration thereof shall be deemed to be Incurred or outstanding in an amount equal to the accreted value thereof at the date of determination.

"Investment" means, directly or indirectly, any advance, loan or other extension of credit (including by means of a guarantee) or capital contribution to (by means of transfers of property to others, payments for property or services for the account or use of others or otherwise), the acquisition, by purchase or otherwise, of any stock, bonds, notes, debentures, partnership, membership or joint venture interests or other securities or other evidence of beneficial interest of any Person, provided that the term "Investment" shall not include any such advance, loan or extension of credit having a term not exceeding 90 days arising in the ordinary course of business or any pledge of Equity Interests pursuant to the Subsidiary Credit Facilities or any Future Subsidiary Credit Facilities. If Mediacom or any Restricted Subsidiary sells or otherwise disposes of any Voting Equity Interest of any direct or indirect Restricted Subsidiary such that, after giving effect to such sale or disposition, Mediacom no longer owns, directly or indirectly, greater than 50% of the outstanding Voting Equity Interests of such Restricted Subsidiary, Mediacom shall be deemed to have made an Investment on the date of any such sale or disposition equal to the fair market value of the Voting Equity Interests of such former Restricted Subsidiary not sold or disposed of.

"Lien" means any mortgage, pledge, lien, charge, security interest, hypothecation, assignment for security or encumbrance of any kind (including any conditional sale or capital lease or other title retention agreement, any lease in the nature thereof or any agreement to give a security interest).

"Liquidated Damages" has the meaning specified in the section of this Offering Memorandum entitled "Exchange and Registration Rights Agreement."

"Mediacom Management" means Mediacom Management Corporation, a Delaware corporation.

"Moody's" means Moody's Investors Service, Inc.

"Net Cash Proceeds" means, with respect to any issuance or sale of Equity Interests, the proceeds in the form of cash or Cash Equivalents received by Mediacom or any Restricted Subsidiary of such issuance or sale net of attorneys' fees, accountants fees, underwriters' or placement agents' fees, discounts or commissions and brokerage, consultant and other fees actually incurred in connection with such issuance or sale and net of taxes paid or payable as a result thereof.

"Non-Recourse Indebtedness" means Indebtedness of a Person (i) as to which neither of the Issuers nor any of the Restricted Subsidiaries (other than such Person or any Subsidiaries of such Person) (a) provides any guarantee or credit support of any kind (including any undertaking, guarantee, indemnity, agreement or instrument that would constitute Indebtedness) or (b) is directly or indirectly liable (as a guarantor or otherwise); and (ii) the incurrence of which will not result in any recourse against any of the assets of either of the Issuers or the Restricted Subsidiaries (other than to such Person or to any Subsidiaries of such Person and other than to the Equity Interests in such Person or in another Restricted Subsidiary or an Unrestricted Subsidiary pledged by Mediacom, a Restricted Subsidiary or an Unrestricted Subsidiary); provided, however, that Mediacom or any Restricted Subsidiary may make a loan to a Controlled Subsidiary or an Unrestricted Subsidiary, or guarantee a loan made to a Controlled Subsidiary or an Unrestricted Subsidiary, if such loan or guarantee is permitted by "Covenants--Limitation on Restricted Payments" above at the time of the making of such loan or guarantee, and such loan or guarantee shall not constitute Indebtedness which is not Non-Recourse Indebtedness.

"Operating Agreement" means the Third Amended and Restated Operating Agreement of Mediacom dated as of January 20, 1998, as the same may be amended, supplemented or modified from time to time.

"Operating Cash Flow" means, with respect to Mediacom and the Restricted Subsidiaries on a consolidated basis, for any period, an amount equal to Consolidated Net Income for such period increased (without duplication) by the sum of (i) Consolidated Income Tax Expense accrued for such period to the extent deducted in determining Consolidated Net Income for such period; (ii) Consolidated Interest Expense for such period to the extent deducted in determining Consolidated Net Income for such period; and (iii) depreciation, amortization and any other non-cash items for such period to the extent deducted in determining Consolidated Net Income for such period (other than any non-cash item (other than the management fees referred to in clause (viii) of the definition of "Consolidated Net Income") which requires the accrual of, or a reserve for, cash charges for any future period) of Mediacom and the Restricted Subsidiaries, including, without limitation, amortization of capitalized debt issuance costs for such period, all of the foregoing determined on a consolidated basis in accordance with generally accepted accounting principles consistently applied, and decreased by non-cash items to the extent they increase Consolidated Net Income (including the partial or entire reversal of reserves taken in prior periods) for such period.

"Other Pari Passu Debt" means Indebtedness of Mediacom or any Restricted Subsidiary that does not constitute Subordinated Obligations, is not senior in right of payment to the Notes and has a stated final maturity which is the same as the stated final maturity of the Notes.

"Other Pari Passu Debt Pro Rata Share" means the amount of the applicable Available Asset Sale Proceeds obtained by multiplying the amount of such Available Asset Sale Proceeds by a fraction, (i) the numerator of which is the aggregate principal amount and/or accreted value, as the case may be, of all Other Pari Passu Debt outstanding at the time of the applicable Asset Sale with respect to which Mediacom or any Restricted Subsidiary is required to use Available Asset Sale Proceeds to repay or make an offer to purchase or repay and (ii) the denominator of which is the sum of (a) the aggregate principal amount of all Notes outstanding at the time of the applicable Asset Sale and (b) the aggregate principal amount and/or accreted value, as the case may be, of all Other Pari Passu Debt outstanding at the time of the applicable Asset Sale Offer with respect to which Mediacom or any Restricted Subsidiary is required to use the applicable Available Asset Sale Proceeds to offer to repay or make an offer to purchase or repay.

"Other Permitted Liens" means (i) Liens imposed by law, such as carriers', warehousemen's and mechanics' liens and other similar liens arising in the ordinary course of business which secure payment of obligations that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted and for which an appropriate reserve or provision shall have been made in accordance with generally accepted accounting principles consistently applied; (ii) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted and for which an appropriate reserve or provision shall have been made in accordance with generally accepted accounting principles consistently applied; (iii) easements, rights of way, and other restrictions on use of property or minor imperfections of title that in the aggregate are not material in amount and do not in any case materially detract from the property subject thereto or interfere with the ordinary conduct of the business of Mediacom or its Subsidiaries; (iv) Liens related to Capitalized Lease Obligations, mortgage financings or purchase money obligations (including refinancings thereof), in each case Incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property, plant or equipment used in the business of Mediacom or any Restricted Subsidiary or a Related Business, provided that any such Lien encumbers only the asset or assets so financed, purchased, constructed or improved; (v) Liens resulting from the pledge by Mediacom of Equity Interests in a Restricted Subsidiary in connection with a Subsidiary Credit Facility or a Future Subsidiary Credit Facility or in an Unrestricted Subsidiary in any circumstance, in each such case where recourse to Mediacom is limited to the value of the Equity Interests so pledged; (vi) Liens resulting from the pledge by Mediacom of intercompany indebtedness owed to Mediacom in connection with a Subsidiary Credit Facility or a Future Subsidiary Credit Facility; (vii) Liens incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security; (viii) Liens to secure the performance of statutory obligations, surety or appeal bonds, performance bonds, deposits to secure the performance of bids, trade contracts, government contracts, leases or licenses or other obligations of a like nature incurred in the ordinary course of business (including without limitation, landlord Liens on leased properties); (ix) leases or subleases granted to third Persons not interfering with the ordinary course of business of Mediacom; (x) deposits made in the ordinary course of business to secure liability to insurance carriers; (xi) Liens securing reimbursement obligations with respect to letters of credit which encumber documents and other property relating to such letters of credit and the products and proceeds thereof; (xii) Liens on the assets of Mediacom to secure hedging agreements with respect to Indebtedness permitted by the Indenture to be Incurred; (xiii) attachment or judgment Liens not giving rise to a Default or an Event of Default; (xiv) any interest or title of a lessor under any capital lease or operating lease; and (xv) Liens resulting from the pledge of "Unfunded Capital Commitments" (as defined in the Operating Agreement) securing the repayment of Indebtedness in respect of reimbursement obligations for letters of credit given in connection with or in contemplation of the acquisition of a Related Business.

"Permitted Holder" means (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 of Mediacom, (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, (v) any trust for the benefit of any such trust, (vi) any of the holders of Equity Interests in Mediacom on the date of the Indenture, or (vii) any of the Affiliates of any Person described in clause (vi) above.

"Permitted Investments" means (i) Cash Equivalents; (ii) Investments in prepaid expenses, negotiable instruments held for collection and lease, utility and workers' compensation, performance and other similar deposits; (iii) the extension of credit to vendors, suppliers and customers in the ordinary course of business; (iv) Investments existing as of the date of the Indenture, and any amendment, modification, extension or renewal thereof to the extent such amendment, modification, extension or renewal does not require Mediacom or any Restricted Subsidiary to make any additional cash or non-cash payments or provide additional services in connection therewith; (v) Hedging Agreements; (vi) any Investment for which the sole consideration provided is Equity Interests (other than Disqualified Equity Interests) of Mediacom; (vii) any Investment consisting of a guarantee permitted under clause (e) of the second paragraph of "Covenants--Limitation on Indebtedness" above; (viii) Investments in Mediacom, in any Wholly Owned Restricted Subsidiary or in any Controlled Subsidiary or any Person that, as a result of or in connection with such Investment, becomes a Wholly Owned Restricted Subsidiary or a Controlled Subsidiary or is merged with or into or consolidated with Mediacom or a Wholly Owned Restricted Subsidiary or a Controlled Subsidiary; (ix) loans and advances to officers, directors and employees of Mediacom and the Restricted Subsidiaries for business-related travel expenses, moving expenses and other similar expenses in each case incurred in the ordinary course of business; (x) any acquisition of assets solely in exchange for the issuance of Equity Interests (other than Disqualified Equity Interests) of Mediacom; (xi) Related Business Investments; and (xii) other Investments made pursuant to this clause (xii) at any time, and from time to time, after the date of the Indenture, in addition to any Permitted Investments described in clauses (i) through (xi) above, in an aggregate amount at any one time outstanding not to exceed $10.0 million.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust, unincorporated organization, government or agency or political subdivision thereof or any other entity.

"Preferred Equity Interest" means, in any Person, an Equity Interest of any class or classes, however designated, which is preferred as to the payment of dividends or distributions, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over Equity Interests of any other class in such Person.

"Productive Assets" means assets of a kind used or useable by Mediacom and the Restricted Subsidiaries in any Related Business and specifically includes assets acquired through Asset Acquisitions (it being understood that "assets" may include Equity Interests of a Person that owns such Productive Assets, provided that after giving effect to such transaction, such Person would be a Restricted Subsidiary).

"Related Business" means a cable television, media and communications, telecommunications or data transmission business, and businesses ancillary, complementary or reasonably related thereto, and reasonable extensions thereof.

"Related Business Investment" means (i) any capital expenditure or Investment, in each case related to the business of Mediacom and its Restricted Subsidiaries as conducted on the date of the Indenture and as such business may thereafter evolve in the fields of Related Businesses, (ii) any Investment in any other Person primarily engaged in a Related Business and (iii) any customary deposits or earnest money payments made by Mediacom or any Restricted Subsidiary in connection with or in contemplation of the acquisition of a Related Business.

"Restricted Subsidiary" means any Subsidiary of Mediacom that has not been designated by the Executive Committee of Mediacom by a Committee Resolution delivered to the Trustee as an Unrestricted Subsidiary pursuant to "Covenants--Designation of Unrestricted Subsidiaries" above. Any such designation may be revoked by a Committee Resolution delivered to the Trustee, subject to the provisions of such covenant.

"S&P" means Standard & Poor's Ratings Group.

"Significant Subsidiary" means any Restricted Subsidiary which at the time of determination had (A) total assets which, as of the date of Mediacom's most recent quarterly consolidated balance sheet, constituted at least 10% of Mediacom's total assets on a consolidated basis as of such date, or (B) revenues for the three-month period ending on the date of Mediacom's most recent quarterly consolidated statement of income which constituted at least 10% of Mediacom's total revenues on a consolidated basis for such period, or (C) Subsidiary Operating Cash Flow for the three-month period ending on the date of Mediacom's most recent quarterly consolidated statement of income which constituted at least 10% of Mediacom's total Operating Cash Flow on a consolidated basis for such period.

"Subordinated Obligations" means, with respect to either of the Issuers, any Indebtedness of either of the Issuers which is expressly subordinated in right of payment to the Notes.

"Subsidiary" means a Person the majority of whose voting stock, membership interests or other Voting Equity Interests is or are owned by Mediacom or a Subsidiary. Voting stock in a corporation is Equity Interests having voting power under ordinary circumstances to elect directors.

"Subsidiary Credit Facilities" means the Southeast Credit Facility and the Western Credit Facility, together with all loan documents and instruments thereunder (including, without limitation, any guarantee agreements and security documents), including any amendment (including any amendment and restatement), modification or supplement thereto or any refinancing, refunding, deferral, renewal, extension or replacement thereof (including, in any such case and without limitation, adding or removing Subsidiaries of Mediacom as borrowers or guarantors thereunder), whether by the same or any other lender or group of lenders, pursuant to which (i) an aggregate amount of Indebtedness up to $325.0 million may be Incurred pursuant to clause (c)(i) of the second paragraph of "Covenants--Limitation on Indebtedness" and (ii) any additional amount of Indebtedness in excess of $325.0 million may be Incurred pursuant to the first paragraph or pursuant to clause (c)(ii) or any other applicable clause (other than clause (c)(i)) of the second paragraph of "Covenants--Limitation on Indebtedness."

"Subsidiary Operating Cash Flow" means, with respect to any Subsidiary for any period, the "Operating Cash Flow" of such Subsidiary and its Subsidiaries for such period determined by utilizing all of the elements of the definition of "Operating Cash Flow" in the Indenture, including the defined terms used in such definition, consistently applied only to such Subsidiary and its Subsidiaries on a consolidated basis for such period.

"Unrestricted Subsidiary" means any Subsidiary of Mediacom designated as such pursuant to the provisions of "Covenants--Designation of Unrestricted Subsidiaries" above, and any Subsidiary of an Unrestricted Subsidiary. Any such designation may be revoked by a Committee Resolution delivered to the Trustee, subject to the provisions of such covenant.

"Voting Equity Interests" means Equity Interests in any Person with voting power under ordinary circumstances entitling the holders thereof to elect the Executive Committee, the board of managers, board of directors or other governing body of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing (i) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required scheduled payment of principal, including payment of final maturity, in respect thereof by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment, by (ii) the then outstanding aggregate principal amount of such Indebtedness.

"Wholly Owned Restricted Subsidiary" means a Restricted Subsidiary 99% or more of the outstanding Equity Interests of which (other than Equity Interests constituting directors' qualifying shares to the extent mandated by applicable law) are owned by Mediacom or by one or more Wholly Owned Restricted Subsidiaries or by Mediacom and one or more Wholly Owned Restricted Subsidiaries.

NO LIABILITY OF MANAGERS, OFFICERS, EMPLOYEES, OR SHAREHOLDERS

No manager, director, officer, employee, member, shareholder, partner or incorporator of either Issuer or any Subsidiary, as such, will have any liability for any obligations of the Issuers under the Notes, the Exchange Notes, if any, or the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. Such waiver may not be effective to waive liabilities under the Federal securities laws and the SEC is of the view that such a waiver is against public policy.

DEFEASANCE AND COVENANT DEFEASANCE

The Indenture will provide that the Issuers may elect either (a) to defease and be discharged from any and all obligations with respect to the Notes (except for the obligations to register the transfer or exchange of such Notes, to replace temporary or mutilated, destroyed, lost or stolen Notes, to maintain an office or agency in respect of the Notes and to hold moneys for payment in trust) ("defeasance") or (b) to be released from its obligations with respect to the Notes under certain covenants (and related Events of Default) contained in the Indenture, including but not limited to those described above under "Covenants" ("covenant defeasance"), upon the deposit with the Trustee (or other qualifying trustee), in trust for such purpose, of money and/or U.S. Government Obligations which through the payment of principal and interest in accordance with their terms will provide money, in an amount sufficient to pay the principal of, premium, if any, and interest and Liquidated Damages, if any, on the Notes, on the scheduled due dates therefor. Such a trust may only be established if, among other things, (x) no Default or Event of Default has occurred and is continuing or would arise therefrom (or, with respect to Events of Default resulting from certain events of bankruptcy, insolvency or reorganization, would occur at any time in the period ending on the 91st day after the date of deposit) and (y) Mediacom has delivered to the Trustee an opinion of counsel (as specified in the Indenture) to the effect that (i) defeasance or covenant defeasance, as the case may be, will not require registration of the Issuers, the Trustee or the trust fund under the Investment Company Act of 1940, as amended, or the Investment Advisors Act of 1940, as amended, and (ii) the holders of the Notes will recognize income, gain or loss for Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such defeasance or covenant defeasance had not occurred. Such opinion, in the case of defeasance under clause (a) above, must refer to and be based upon a private ruling concerning the Notes of the Internal Revenue Service or a ruling of general effect published by the Internal Revenue Service.

MODIFICATION OF INDENTURE

From time to time, the Issuers and the Trustee may, without the consent of holders of the Notes, enter into one or more supplemental indentures for certain specified purposes, including providing for a successor or successors to the Issuers, adding guarantees, releasing Guarantors when permitted by the Indenture, providing for security for the Notes, adding to the covenants of the Issuers, surrendering any right or power conferred upon the Issuers, providing for uncertificated Notes in addition to or in place of certificated Notes, making any change that does not adversely affect the rights of any Noteholder, complying with any requirement of the Trust Indenture Act or curing certain ambiguities, defects or inconsistencies. The Indenture contains provisions permitting the Issuers and the Trustee, with the consent of holders of at least a majority in aggregate principal amount of the Notes at the time outstanding, to modify the Indenture or any supplemental indenture or the rights of the holders of the Notes, except that no such modification shall, without the consent of each holder affected thereby (i) change or extend the fixed maturity of any Notes, reduce the rate or extend the time of payment of interest or Liquidated Damages thereon, reduce the principal amount thereof or premium, if any, thereon or change the currency in which the Notes are payable; (ii) reduce the premium payable upon any redemption of Notes in accordance with the optional redemption provisions of the Notes or change the time before which no such redemption may be made; (iii) waive a default in the payment of principal or interest or Liquidated Damages on the Notes (except that holders of a majority in aggregate principal amount of the Notes at the time outstanding may (a) rescind an acceleration of the Notes that resulted from a non-payment default and (b) waive the payment default that resulted from such acceleration) or alter the rights of Noteholders to waive defaults; or (iv) reduce the aforesaid percentage of Notes, the consent of the holders of which is required for any such modification. Any existing Event of Default, other than a default in the payment of principal or interest or Liquidated Damages on the Notes, or compliance with any provision of the Notes or the Indenture, other than any provision related to the payment of principal or interest or Liquidated Damages on the Notes, may be waived with the consent of holders of at least a majority in aggregate principal amount of the Notes at the time outstanding.

COMPLIANCE CERTIFICATE

The Indenture will provide that Mediacom will deliver to the Trustee within 120 days after the end of each fiscal year of Mediacom an Officers' Certificate stating whether or not the signers know of any Event of Default that has occurred. If they do, the certificate will describe the Event of Default and its status.

CONCERNING THE TRUSTEE

Bank of Montreal Trust Company is to be the Trustee under the Indenture and has been appointed by the Issuers as Registrar and Paying Agent with regard to the Notes. Bank of Montreal, an affiliate of the Trustee, is a lender under each of the Subsidiary Credit Facilities. An affiliate of Bank of Montreal holds approximately 3.8% of the membership interests in Mediacom.

DESCRIPTION OF OTHER INDEBTEDNESS

SUBSIDIARY CREDIT FACILITIES

Mediacom has been organized as a holding company for its various Subsidiaries. The Company's financing strategy is to raise equity from its members and issue public long-term debt (including the Notes) at the holding company level, while utilizing the Subsidiaries to access debt capital in the bank and private placement markets through multiple stand-alone borrowing groups. The Company believes that this financing strategy is beneficial because it broadens the Company's access to various debt markets, enhances its flexibility in managing the Company's capital structure, reduces the overall cost of debt capital and permits the Company to maintain a substantial liquidity position in the form of unused and available bank credit commitments.

Financings of the Subsidiaries are currently effected pursuant to the Subsidiary Credit Facilities through two stand-alone borrowing groups, the Western Group and Mediacom Southeast, each having a separate lending group. The credit arrangements in these borrowing groups are non-recourse to Mediacom, have no cross-default provisions relating directly to each other, have different revolving credit and term periods and contain separately negotiated covenants tailored for each borrowing group. These credit arrangements permit the relevant Subsidiaries, subject to covenant and other restrictions, to make distributions to Mediacom.

The financing of the operations of the Subsidiaries in the Western Group is effected through the Western Credit Facility pursuant to a Second Amended and Restated Credit Agreement dated as of June 24, 1997, as amended, among the Subsidiaries included in the Western Group, the lenders party thereto, and The Chase Manhattan Bank ("Chase"), as administrative agent. Such Subsidiaries have used the proceeds from borrowings under the Western Credit Facility to finance, in part, the purchase of the 1997 Systems and the Jones System and for working capital and other general corporate purposes. The Western Credit Facility is a $100.0 million senior credit facility which includes a $70.0 million reducing revolving credit facility expiring September 30, 2005 (the "Western Revolving Credit Facility") and a $30.0 million term loan maturing September 30, 2005 (the "Western Term Loan"). At March 31, 1998, there was approximately $60.6 million outstanding under the Western Revolving Credit Facility and approximately $30.0 million outstanding under the Western Term Loan. Interest under the Western Credit Facility is payable at the "Eurodollar Rate" or "Base Rate," as such terms are defined therein, plus a floating percentage tied to the senior leverage ratio, as defined, ranging from 1.375% to 2.750% for Eurodollar Rate borrowings. The floating percentage is one percentage point lower in the case of Base Rate loans. The weighted average interest rate at March 31, 1998 on the outstanding borrowings under the Western Credit Facility was approximately 8.05%. At March 31, 1998, separate interest rate swap agreements had been entered into by the Western Group to hedge the underlying Eurodollar Rate exposure in notional amount of $62.0 million with expiration dates ranging from September 1998 through October 2002.

The financing of the operations of Mediacom Southeast is effected through the Southeast Credit Facility pursuant to a Credit Agreement dated as of January 23, 1998, as amended, among Mediacom Southeast, the lenders party thereto and Chase, as administrative agent. Mediacom Southeast has used the proceeds from borrowings under the Southeast Credit Facility to finance, in part, the purchase of the Cablevision Systems and for working capital and other general corporate purposes. The Southeast Credit Facility is a $225.0 million senior credit facility which includes a $165.0 million reducing revolving credit facility expiring June 30, 2006 (the "Southeast Revolving Credit Facility") and a $60.0 million term loan maturing June 30, 2006 (the "Southeast Term Loan"). At March 31, 1998, there was $141.0 million outstanding under the Southeast Revolving Credit Facility and $60.0 million outstanding under the Southeast Term Loan. The Southeast Credit Facility includes an additional term loan facility which is available until December 30, 1999, pursuant to which the lenders thereunder may extend, at their discretion, up to an additional $50.0 million of term loans to Mediacom Southeast (the

"Incremental Facility Loans"). Interest under the Southeast Credit Facility is payable at the "Eurodollar Rate" or "Base Rate," as such terms are defined therein, plus a floating percentage tied to the senior leverage ratio ranging from 1.25% to 2.25% for Eurodollar Rate borrowings. The floating percentage is one percentage point lower in the case of Base Rate loans. The weighted average interest rate at March 31, 1998 on the outstanding borrowings under the Southeast Credit Facility was approximately 7.94%.

In general, the Subsidiary Credit Facilities require the respective borrowing groups to use the proceeds from certain specified equity and debt issuances, as well as certain asset dispositions, to prepay borrowings under the respective Subsidiary Credit Facilities and to reduce permanently commitments thereunder. The Subsidiary Credit Facilities also require mandatory prepayments of amounts outstanding and permanent reductions in the commitments thereunder, beginning in 2000, based on a percentage of excess cash flow, as defined.

The Subsidiary Credit Facilities are secured by Mediacom's pledge of all the ownership interests in the Subsidiaries and a first priority lien on all the tangible and intangible assets of the Subsidiaries, other than real property in the case of the Southeast Credit Facility. The indebtedness under the Subsidiary Credit Facilities is guaranteed by Mediacom on a limited recourse basis to the extent of its ownership interests in the Subsidiaries.

The Subsidiary Credit Facilities contain covenants, including, but not limited to, insurance requirements, limitations on mergers and acquisitions, consolidations and sales of certain assets, restrictions on certain transactions with affiliates, the maintenance of certain financial ratios, limitations on liens, the incurrence of additional indebtedness and certain restricted payments, and restrictions on the ability to engage in any business. In addition, among other events, an event of default will occur under the Subsidiary Credit Facilities if: (i) Mr. Commisso ceases to be the Chairman and Chief Executive Officer of Mediacom Management; (ii) Mediacom Management shall cease to act as manager of the Subsidiaries; (iii) Mediacom ceases to own all of the equity interests of the Subsidiaries that it currently owns; or (iv) certain "change of control" events specified in the Subsidiary Credit Facilities occur and are continuing.

As of June 1, 1998, Mediacom had subordinated intercompany loans to and preferred equity investments in the Subsidiaries in the aggregate amount of approximately $201.1 million. The Subsidiary Credit Facilities allow the Subsidiaries to make distributions and other payments to Mediacom, which can in turn be used to pay interest and principal on the Notes, subject to certain financial covenants and other conditions. The Subsidiaries are permitted to pay to Mediacom interest on subordinated intercompany loans and make similar distributions in respect of preferred equity contributions if no default is then continuing under the Subsidiary Credit Facilities. Additionally, the Subsidiaries can repay or redeem, as appropriate, such intercompany loans and preferred equity investments if: (i) the "leverage ratio" (as set forth in the Subsidiary Credit Facilities, using System Cash Flow) on a pro forma basis is less than 5.5 to 1.0 (reducing over five years to 3.0 to 1.0); and (ii) the Subsidiaries are in compliance with other specified financial covenants and no default is then continuing. As of March 31, 1998, on a pro forma basis, after giving effect to the Series A Notes Offering and the application of the net proceeds therefrom, the leverage ratio of Mediacom Southeast under the Southeast Credit Facility would be less than 2.1 to 1.0 and the leverage ratio of the Western Group under the Western Credit Facility would be less than 2.2 to 1.0. Accordingly, the Subsidiaries would be able to make distributions to Mediacom in respect of such repayments or redemptions in the aggregate amount of approximately $184.0 million.

SELLER NOTE

In connection with the purchase of the Kern Valley System in June 1996, Mediacom California issued the Seller Note in the original principal amount of $2.8 million. Each of the Subsidiaries included in the Western Group is a co-obligor under the Seller Note. The Seller Note matures on June 28, 2006 and accrues interest, payable on such maturity date, at the rate of 9.0% until June 28, 2001, at which time the rate becomes 15.0% until June 28, 2003, and becomes 18.0% thereafter. Interest compounds annually and all interest rate increases described above are deemed retroactive to the issue date of the Seller Note. The Seller Note contains certain default provisions as well as restrictive covenants with respect to the issuance of additional debt by the Western Group.

CERTAIN FEDERAL INCOME TAX CONSEQUENCES

The following discussion (including the opinion of counsel described below) is based upon current provisions of the Internal Revenue Code of 1986, as amended, applicable Treasury regulations, judicial authority and administrative rulings and practice. There can be no assurance that the Internal Revenue Service (the "Service") will not take a contrary view, and no ruling from the Service has been or will be sought. Legislative, judicial or administrative changes or interpretations may be forthcoming that could alter or modify the statements and conditions set forth herein. Any such changes or interpretations may or may not be retroactive and could affect the tax consequences to holders. Certain holders (including insurance companies, tax-exempt organizations, financial institutions, broker-dealers, foreign corporations and persons who are not citizens or residents of the United States) may be subject to special rules not discussed below. The Issuers recommend that each holder consult such holder's own tax adviser as to the particular tax consequences of exchanging such holder's Series A Notes for Series B Notes, including the applicability and effect of any state, local or foreign tax laws.

Cooperman Levitt Winikoff Lester & Newman, P.C., counsel to the Issuers, has advised the Issuers that in its opinion, the exchange of the Series A Notes for Series B Notes pursuant to the Exchange Offer should not be treated as an "exchange" for federal income tax purposes because the Series B Notes should not be considered to differ materially in kind or extent from the Series A Notes. Rather, the Series B Notes received by a holder should be treated as a continuation of the Series A Notes in the hands of such holder. As a result, there should be no federal income tax consequences to holders exchanging Series A Notes for Series B Notes pursuant to the Exchange Offer.

THE EXCHANGE OFFER

The following description of the Exchange and Registration Rights Agreement is a summary only, does not purport to be complete and is subject to, and qualified in its entirety by reference to, all provisions of the Exchange and Registration Rights Agreement, a copy of which is filed as an exhibit to the Exchange Offer Registration Statement (as defined) of which this Prospectus is a part.

PURPOSE AND EFFECT OF THE EXCHANGE OFFER

The Series A Notes were originally sold by the Issuers on April 1, 1998 to the Initial Purchaser pursuant to the Purchase Agreement. The Initial Purchaser subsequently resold the Series A Notes within the United States to qualified institutional buyers in reliance on Rule 144A under the Securities Act and outside the United States in accordance with Regulation S under the Securities Act. As a condition to the Purchase Agreement, the Issuers and the Initial Purchaser entered into the Exchange and Registration Rights Agreement concurrently with the issuance of the Series A Notes. Pursuant to the Exchange and Registration Rights Agreement, the Issuers agreed to (i) file with the Commission on or prior to 90 days after the date of issuance of the Series A Notes (the "Issue Date") a registration statement on Form S-1 or Form S-4, if the use of such form is then available (the "Exchange Offer Registration Statement") relating to a registered exchange offer (the "Exchange Offer") for the Series A Notes under the Securities Act and (ii) use their reasonable best efforts to cause the

Exchange Offer Registration Statement to be declared effective under the Securities Act within 150 days after the Issue Date. As soon as practicable after the effectiveness of the Exchange Offer Registration Statement, the Issuers will offer to the holders of Transfer Restricted Securities (as defined) who are not prohibited by any law or policy of the Commission from participating in the Exchange Offer the opportunity to exchange their Transfer Restricted Securities for an issue of a new issue of notes (the "Exchange Notes") that are identical in all material respects to the Series A Notes (except that the Exchange Notes will not contain terms with respect to transfer restrictions) and that would be registered under the Securities Act. The Issuers will keep the Exchange Offer open for not less than 30 days (or longer, if required by applicable law) after the date notice of the Exchange Offer is mailed to the holders of the Series A Notes.

If (i) because of any change in law or applicable interpretations thereof by the staff of the Commission, the Issuers are not permitted to effect the Exchange Offer as contemplated hereby, (ii) any Series A Notes validly tendered pursuant to the Exchange Offer are not exchanged for Exchange Notes within 180 days after the Issue Date, (iii) the Initial Purchaser so requests with respect to Series A Notes not eligible to be exchanged for Exchange Notes in the Exchange Offer, (iv) any applicable law or interpretations do not permit any holder of Series A Notes to participate in the Exchange Offer, (v) any holder of Series A Notes that participates in the Exchange Offer does not receive freely transferable Exchange Notes in exchange for tendered Series A Notes, or (vi) the Issuers so elect, then the Issuers will file with the Commission a shelf registration statement (the "Shelf Registration Statement") to cover resales of Transfer Restricted Securities by such holders who satisfy certain conditions relating to the provision of information in connection with the Shelf Registration Statement. For purposes of the foregoing, "Transfer Restricted Securities" means each Series A Note until (i) the date on which such Series A Note has been exchanged for a freely transferable Exchange Note in the Exchange Offer, (ii) the date on which such Series A Note has been effectively registered under the Securities Act and disposed of in accordance with the Shelf Registration Statement or (iii) the date on which such Series A Note is distributed to the public pursuant to Rule 144 under the Securities Act or is saleable pursuant to Rule 144(k) under the Securities Act.

The Issuers will use their reasonable best efforts to have the Exchange Offer Registration Statement or, if applicable, a Shelf Registration Statement (each, a "Registration Statement") declared effective by the Commission as promptly as practicable after the filing thereof. Unless the Exchange Offer would not be permitted by a policy of the Commission, the Issuers will commence the Exchange Offer and will use their reasonable best efforts to consummate the Exchange Offer as promptly as practicable, but in any event prior to 180 days after the Issue Date. If applicable, the Issuers will use their reasonable best efforts to keep the Shelf Registration Statement effective for a period of two years after the Issue Date.

If (i) the applicable Registration Statement is not filed with the Commission on or prior to 90 days after the Issue Date, (ii) the Exchange Offer Registration Statement or the Shelf Registration Statement, as the case may be, is not declared effective within 150 days after the Issue Date (or in the case of a Shelf Registration Statement required to be filed in response to a change in law or interpretation), (iii) the Exchange Offer is not consummated on or prior to 180 days after the Issue Date or (iv) the Shelf Registration Statement is filed and declared effective within 150 days after the Issue Date (or in the case of a Shelf Registration Statement required to be filed in response to a change in law or the applicable interpretations of the Commission's staff, if later, within 45 days after publication of the change in law or interpretation), but shall thereafter cease to be effective (at any time that the Issuers are obligated to maintain the effectiveness thereof) without being succeeded within 60 days by an additional Registration Statement filed and declared effective (each such event referred to in clauses (i) through (iv), a "Registration Default"), the Issuers will be obligated to pay liquidated damages ("Liquidated Damages") to each holder of Transfer Restricted Securities, during the period of one or more such Registration Defaults, in an amount equal to $0.192 per week per $1,000 principal amount of Series A Notes constituting Transfer Restricted Securities held by such holder until the applicable Registration Statement is filed, the Exchange Offer Registration Statement is declared effective and the Exchange Offer is consummated or the Shelf Registration Statement is declared effective or again becomes effective, as the case may be. All accrued Liquidated Damages shall be paid to holders in the same manner as interest payments on the Series A Notes on semi-annual payment dates which correspond to interest payment dates for the Series A Notes. Following the cure of all Registration Defaults, the accrual of Liquidated Damages will cease.

The Exchange and Registration Rights Agreement also provides that the Issuers (i) shall make available for a period of 90 days after the consummation of the Exchange Offer a prospectus meeting the requirements of the Securities Act to any broker-dealer for use in connection with any resale of any such Exchange Notes and (ii) shall pay all expenses incident to the Exchange Offer (including the expenses of one counsel to the holders of the Series A Notes) and will indemnify certain holders of the Series A Notes (including any broker-dealer) against certain liabilities, including liabilities under the Securities Act. A broker-dealer who delivers such a prospectus to purchasers in connection with such resales will be subject to certain of the civil liability provisions under the Securities Act and will be bound by the provisions of the Exchange and Registration Rights Agreement (including certain indemnification rights and obligations).

Each holder of the Series A Notes who wishes to exchange such Series A Notes for Exchange Notes in the Exchange Offer will be required to make certain representations, including representations that (i) any Exchange Notes to be received by it will be acquired in the ordinary course of its business, (ii) it has no arrangements or understanding with any person to participate in the distribution of the Series A Notes or the Exchange Notes within the meaning of the Securities Act and (iii) it is not an "affiliate" (as defined in Rule 405 of the Securities Act) of the Issuers or, if it is an affiliate, it will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable.

If a holder is not a broker-dealer, it will be required to represent that it is not engaged in, and does not intend to engage in, the distribution of the Exchange Notes. If a holder is a broker-dealer that will receive Exchange Notes for its own account in exchange for Series A Notes that were acquired as a result of market-making activities or other trading activities (an "Exchanging Dealer"), it will be required to acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Notes. See "Plan of Distribution."

Holders of the Series A Notes will be required to make certain representations to the Issuers (as described above) in order to participate in the Exchange Offer and will be required to deliver information to be used in connection with the Shelf Registration Statement in order to have their Series A Notes included in the Shelf Registration Statement and benefit from the provisions regarding Liquidated Damages set forth in the preceding paragraphs. A holder who sells Series A Notes pursuant to the Shelf Registration Statement generally will be required to be named as a selling security holder in the related prospectus and to deliver a prospectus to purchasers, will be subject to certain of the civil liability provisions under the Securities Act in connection with such sales and will be bound by the provisions of the Exchange and Registration Rights Agreement which are applicable to such a holder (including certain indemnification obligations).

For so long as the Series A Notes are outstanding, the Issuers will continue to provide to holders of the Series A Notes and to prospective purchasers of the Series A Notes the information required by paragraph (d)(4) of Rule 144A.

Following the consummation of the Exchange Offer, holders of Series A Notes who were eligible to participate in the Exchange Offer but who did not tender their Series A Notes will not have any further registration rights and such Series A Notes will continue to be subject to certain restrictions on transfer. Accordingly, the liquidity of the market for such Series A Notes could be adversely affected.

TERMS OF THE EXCHANGE OFFER

Upon the terms and subject to the conditions set forth in this Prospectus and in the Letter of Transmittal, the Issuers will accept any and all Series A Notes validly tendered and not withdrawn prior to 5:00 p.m., New York City time, on the Expiration Date. The Issuers will issue $1,000 principal amount of Series B Notes in exchange for each $1,000 principal amount of outstanding Series A Notes accepted in the Exchange Offer. Holders may tender some or all of their Series A Notes pursuant to the Exchange Offer. However, Series A Notes may be tendered only in integral multiples of $1,000.

The form and terms of the Series B Notes are the same as the form and terms of the Series A Notes except that (i) the Series B Notes bear a "Series B" designation and a different CUSIP Number from the Series A Notes, (ii) the Series B Notes have been registered under the Securities Act and hence will not bear legends restricting the transfer thereof and (iii) the holders of the Series B Notes will not be entitled to certain rights under the Exchange and Registration Rights Agreement, which rights will terminate when the Exchange Offer is terminated. The Series B Notes will evidence the same debt as the Series A Notes and will be entitled to the benefits of the Indenture.

As of the date of this Prospectus, $200,000,000 aggregate principal amount of Series A Notes were outstanding. The Issuers have fixed the close of business on   , 1998 as the record date for the Exchange Offer for purposes of determining the persons to whom this Prospectus and the Letter of Transmittal will be mailed initially.

Holders of Series A Notes do not have any appraisal or dissenters' rights under the New York Limited Liability Company Law, the Business Corporation Law of New York, or the Indenture in connection with the Exchange Offer. The Issuers intend to conduct the Exchange Offer in accordance with the applicable requirements of the Exchange Act and the rules and regulations of the Commission thereunder.

The Issuers shall be deemed to have accepted validly tendered Series A Notes when, as and if the Issuers have given oral or written notice thereof to the Exchange Agent. The Exchange Agent will act as agent for the tendering holders for the purpose of receiving the Series B Notes from the Issuers.

If any tendered Series A Notes are not accepted for exchange because of an invalid tender, the occurrence of certain other events set forth herein or otherwise, the certificates for any such unaccepted Series A Notes will be returned, without expense, to the tendering holder thereof as promptly as practicable after the Expiration Date.

Holders who tender Series A Notes in the Exchange Offer will not be required to pay brokerage commissions or fees or, subject to the instructions in the Letter of Transmittal, transfer taxes with respect to the exchange of Series A Notes pursuant to the Exchange Offer. The Issuers will pay all charges and expenses, other than transfer taxes in certain circumstances, in connection with the Exchange Offer. See "--Fees and Expenses" below.

EXPIRATION DATE; EXTENSIONS; AMENDMENTS

The term "Expiration Date" shall mean 5:00 p.m., New York City time, on   , 1998, unless the Issuers, in their sole discretion, extend the Exchange Offer, in which case the term "Expiration Date" shall mean the latest date and time to which the Exchange Offer is extended. Notwithstanding the foregoing, the Issuers will not extend the Expiration Date beyond   , 1998.

In order to extend the Exchange Offer, the Issuers will notify the Exchange Agent of any extension by oral or written notice and will mail to the registered holders an announcement thereof, each prior to 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date.

The Issuers reserve the right, in their sole discretion, (i) to delay accepting any Series A Notes, to extend the Exchange Offer or to terminate the Exchange Offer if any of the conditions set forth below under "--Conditions" shall not have been satisfied, by giving oral or written notice of such delay, extension or termination to the Exchange Agent or (ii) to amend the terms of the Exchange Offer in any manner. Any such delay in acceptance, extension, termination or amendment will be followed as promptly as practicable by oral or written notice thereof to the registered holders.

INTEREST ON THE SERIES B NOTES

The Series B Notes will bear interest from their date of issuance. Holders of Series A Notes that are accepted for exchange will receive, in cash, accrued interest thereon to, but not including, the date of issuance of the Series B Notes. Such interest will be paid with the first interest payment on the Series B Notes on October 15, 1998. Interest on the Series A Notes accepted for exchange will cease to accrue upon issuance of the Series B Notes.

Interest on the Series B Notes is payable semi-annually on each April 15 and October 15.

PROCEDURES FOR TENDERING

Only a holder of Series A Notes may tender such Series A Notes in the Exchange Offer. To tender in the Exchange Offer, a holder must complete, sign and date the Letter of Transmittal, or a facsimile thereof, have the signatures thereon guaranteed if required by the Letter of Transmittal, and mail or otherwise deliver such Letter of Transmittal, or such facsimile, together with the Series A Notes and any other required documents, to the Exchange Agent prior to 5:00 p.m., New York City time, on the Expiration Date. To be tendered effectively, the Series A Notes, Letter of Transmittal and other required documents must be completed and received by the Exchange Agent at the address set forth below under "Exchange Agent" prior to 5:00 p.m., New York City time, on the Expiration Date. Delivery of the Series A Notes may be made by book-entry transfer in accordance with the procedures described below. Confirmation of such book-entry transfer must be received by the Exchange Agent prior to the Expiration Date.

By executing the Letter of Transmittal, each holder will make to the Issuers the representations set forth above under the heading "--Purpose and Effect of the Exchange Offer."

The tender by a holder and the acceptance thereof by the Issuers will constitute the agreement between such holder and the Issuers in accordance with the terms and subject to the conditions set forth herein and in the Letter of Transmittal.

THE METHOD OF DELIVERY OF SERIES A NOTES AND THE LETTER OF TRANSMITTAL AND ALL OTHER REQUIRED DOCUMENTS TO THE EXCHANGE AGENT IS AT THE ELECTION AND SOLE RISK OF THE HOLDER. AS AN ALTERNATIVE TO DELIVERY BY MAIL, HOLDERS MAY WISH TO CONSIDER OVERNIGHT OR HAND DELIVERY SERVICE. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ASSURE DELIVERY TO THE EXCHANGE AGENT BEFORE THE EXPIRATION DATE. NO LETTER OF TRANSMITTAL OR SERIES A NOTES SHOULD BE SENT TO THE ISSUERS. HOLDERS MAY REQUEST THEIR RESPECTIVE BROKERS, DEALERS, COMMERCIAL BANKS, TRUST COMPANIES OR NOMINEES TO EFFECT THE ABOVE TRANSACTIONS FOR SUCH HOLDERS.

Any beneficial owner whose Series A Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and who wishes to tender should contact such registered holder promptly and instruct such registered holder to tender on such beneficial owner's behalf. See "Instructions to Registered Holder and/or Book-Entry Transfer Facility Participant from Beneficial Owner" included with the Letter of Transmittal.

Signatures on a Letter of Transmittal or a notice of withdrawal, as the case may be, must be guaranteed by an Eligible Institution (as defined below) unless the Series A Notes tendered pursuant thereto are tendered (i) by a registered holder who has not completed the box entitled "Special Delivery Instructions" on the Letter of Transmittal or (ii) for the account of an Eligible Institution. In the event that signatures on a Letter of Transmittal or a notice of withdrawal, as the case may be, are required to be guaranteed, such guarantee must be by a member firm of the Medallion System (an "Eligible Institution").

If the Letter of Transmittal is signed by a person other than the registered holder of any Series A Notes listed therein, such Series A Notes must be endorsed or accompanied by a properly completed bond power, signed by such registered holder as such registered holder's name appears on such Series A Notes with the signature thereon guaranteed by an Eligible Institution.

If the Letter of Transmittal or any Series A Notes or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and evidence satisfactory to the Issuers of their authority to so act must be submitted with the Letter of Transmittal.

The Issuers understand that the Exchange Agent will make a request promptly after the date of this Prospectus to establish accounts with respect to the Series A Notes at the book-entry transfer facility, The Depository Trust Company (the "Book-Entry Transfer Facility"), for the purpose of facilitating the Exchange Offer, and subject to the establishment thereof, any financial institution that is a participant in the Book-Entry Transfer Facility's system may make book-entry delivery of Series A Notes by causing such Book-Entry Transfer Facility to transfer such Series A Notes into the Exchange Agent's account with respect to the Series A Notes in accordance with the Book-Entry Transfer Facility's procedures for such transfer. Although delivery of the Series A Notes may be effected through book-entry transfer into the Exchange Agent's account at the Book-Entry Transfer Facility, an appropriate Letter of Transmittal properly completed and duly executed with any required signature guarantee and all other required documents must in each case be transmitted to and received or confirmed by the Exchange Agent at its address set forth below on or prior to the Expiration Date, or, if the guaranteed delivery procedures described below are complied with, within the time period provided under such procedures. Delivery of documents to the Book-Entry Transfer Facility does not constitute delivery to the Exchange Agent.

All questions as to the validity, form, eligibility (including time of receipt) and acceptance of tendered Series A Notes and withdrawal of tendered Series A Notes will be determined by the Issuers in their sole discretion, which determination will be final and binding. The Issuers reserve the absolute right to reject any and all Series A Notes not properly tendered or any Series A Notes the Issuers' acceptance of which would, in the opinion of counsel for the Issuers, be unlawful. The Issuers also reserve the right in their sole discretion to waive any defects, irregularities or conditions of tender as to particular Series A Notes. The Issuers' interpretation of the terms and conditions of the Exchange Offer (including the instructions in the Letter of Transmittal) will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of Series A Notes must be cured within such time as the Issuers shall determine. Although the Issuers intend to notify holders of defects or irregularities with respect to tenders of Series A Notes, neither the Issuers, the Exchange Agent nor any other person shall incur any liability for failure to give such notification. Tenders of Series A Notes will not be deemed to have been made until such defects or irregularities have been cured or waived. Any Series A Notes received by the Exchange Agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned by the Exchange Agent to the tendering holders, unless otherwise provided in the Letter of Transmittal, as soon as practicable following the Expiration Date.

GUARANTEED DELIVERY PROCEDURES

Holders who wish to tender their Series A Notes and (i) whose Series A Notes are not immediately available, (ii) who cannot deliver their Series A Notes, the Letter of Transmittal or any other required documents to the Exchange Agent or (iii) who cannot complete the procedures for book-entry transfer, prior to the Expiration Date, may effect a tender if;

(a) the tender is made through an Eligible Institution;

(b) prior to the Expiration Date, the Exchange Agent receives from such Eligible Institution a properly completed and duly executed Notice of Guaranteed Delivery (by facsimile transmission, mail or hand delivery) setting forth the name and address of the holder, the certificate number(s) of such Series A Notes and the principal amount of Series A Notes tendered, stating that the tender is being made thereby and guaranteeing that, within five New York Stock Exchange trading days after the Expiration Date, the Letter of Transmittal (or facsimile thereof) together with the certificate(s) representing the Series A Notes (or a confirmation of book-entry transfer of such Series A Notes into the Exchange Agent's account at the Book-Entry Transfer Facility), and any other documents required by the Letter of Transmittal will be deposited by the Eligible Institution with the Exchange Agent; and

(c) such properly completed and executed Letter of Transmittal (of facsimile thereof), as well as the certificate(s) representing all tendered Series A Notes in proper form for transfer (or a confirmation of book-entry transfer of such Series A Notes into the Exchange Agent's account at the Book-Entry Transfer Facility), and all other documents required by the Letter of Transmittal are received by the Exchange Agent upon five New York Stock Exchange trading days after the Expiration Date.

Upon request to the Exchange Agent, a Notice of Guaranteed Delivery will be sent to holders who wish to tender their Series A Notes according to the guaranteed delivery procedures set forth above.

WITHDRAWAL OF TENDERS

Except as otherwise provided herein, tenders of Series A Notes may be withdrawn at any time prior to 5:00 p.m., New York City time, on the Expiration Date.

To withdraw a tender of Series A Notes in the Exchange Offer, a telegram, telex, letter or facsimile transmission notice of withdrawal must be received by the Exchange Agent at its address set forth herein prior to 5:00 p.m., New York City time, on the Expiration Date. Any such notice of withdrawal must (i) specify the name of the person having deposited the Series A Notes to be withdrawn (the "Depositor"), (ii) identify the Series A Notes to be withdrawn (including the certificate number(s) and principal amount of such Series A Notes, or, in the case of Series A Notes transferred by book-entry transfer, the name and number of the account at the Book-Entry Transfer Facility to be credited), (iii) be signed by the holder in the same manner as the original signature on the Letter of Transmittal by which such Series A Notes were tendered (including any required signature guarantees) or be accompanied by documents of transfer sufficient to have the Trustee with respect to the Series A Notes register the transfer of such Series A Notes into the name of the person withdrawing the tender and (iv) specify the name in which any such Series A Notes are to be registered, if different from that of the Depositor. All questions as to the validity, form and eligibility (including time of receipt) of such notices will be determined by the Issuers, whose determination shall be final and binding on all parties. Any Series A Notes so withdrawn will be deemed not to have been validly tendered for purposes of the Exchange Offer and no Series B Notes will be issued with respect thereto unless the Series A Notes so withdrawn are validly retendered. Any Series A Notes which have been tendered but which are not accepted for exchange will be returned to the holder thereof without cost to such holder as soon as practicable after withdrawal, rejection of tender or termination of the Exchange Offer. Properly withdrawn Series A Notes may be retendered by following one of the procedures described above under "--Procedures for Tendering" at any time prior to the Expiration Date.

CONDITIONS

Notwithstanding any other term of the Exchange Offer, the Issuers shall not be required to accept for exchange, or exchange Series B Notes for, any Series A Notes, and may terminate or amend the Exchange Offer as provided herein before the acceptance of such Series A Notes, if:

(a) any action or proceeding is instituted or threatened in any court or by or before any governmental agency with respect to the Exchange Offer which, in the reasonable judgment of the Issuers, might materially impair the ability of the Issuers to proceed with the Exchange Offer or any material adverse development has occurred in any existing action or proceeding with respect to the Issuers or any of their Subsidiaries; or

(b) any law, rule, regulation or interpretation by the staff of the Commission is proposed, adopted or enacted, which, in the reasonable judgment of the Issuers, might materially impair the ability of the Issuers to proceed with the Exchange Offer or materially impair the contemplated benefits of the Exchange Offer to the Issuers; or

(c) any governmental approval has not been obtained, which approval the Issuers shall, in their reasonable discretion, deem necessary for the consummation of the Exchange Offer and contemplated hereby.

If the Issuers determine in their sole discretion that any of the conditions are not satisfied, the Issuers may (i) refuse to accept any Series A Notes and return all tendered Series A Notes to the tendering holders, (ii) extend the Exchange Offer and retain all Series A Notes tendered prior to the expiration of the Exchange Offer, subject, however, to the rights of holders to withdraw such Series A Notes (see "--Withdrawal of Tenders") or (iii) waive such unsatisfied conditions with respect to the Exchange Offer and accept all properly tendered Series A Notes which have not been withdrawn.

EXCHANGE AGENT

Bank of Montreal Trust Company has been appointed as Exchange Agent for the Exchange Offer. Questions and requests for assistance, requests for additional copies of this Prospectus or of the Letter of Transmittal and requests for Notice of Guaranteed Delivery should be directed to the Exchange Agent addressed as follows:

Bank of Montreal Trust Company
88 Pine Street, 19th Floor
New York, New York 10005
Attn: Reorganization Department

FEES AND EXPENSES

The expenses of soliciting tenders will be borne by the Issuers. The principal solicitation is being made by mail; however, additional solicitation may be made by telegraph, telecopy, telephone or in person by officers and regular employees of the Issuers and their affiliates.

The Issuers have not retained any dealer-manager in connection with the Exchange Offer and will not make any payments to brokers, dealers or others soliciting acceptances of the Exchange Offer. The Issuers, however, will pay the Exchange Agent reasonable and customary fees for its services and will reimburse it for its reasonable out-of-pocket expenses in connection therewith.

The cash expenses to be incurred in connection with the Exchange Offer will be paid by the Issuers. Such expenses include fees and expenses of the Exchange Agent and Trustee, accounting and legal fees and printing costs, among others.

ACCOUNTING TREATMENT

The Series B Notes will be recorded at the same carrying value as the Series A Notes, which is face value, as reflected in the Issuers' accounting records on the date of exchange. Accordingly, no gain or loss for accounting purposes will be recognized by the Issuers. The expenses related to the issuance of the Notes and of the Exchange Offer will be amortized over the term of the Exchange Notes.

CONSEQUENCES OF FAILURE TO EXCHANGE

The Series A Notes that are not exchanged for Series B Notes pursuant to the Exchange Offer will remain restricted securities. Accordingly, such Series A Notes may be resold only (i) to the Issuers (upon redemption thereof or otherwise), (ii) so long as the Series A Notes are eligible for resale pursuant to Rule 144A under the Securities Act, to a person inside the United States whom the seller reasonably believes is a qualified institutional buyer within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A, in accordance with Rule 144 under the Securities Act, or pursuant to another exemption from the registration requirements of the Securities Act (and based upon an opinion of counsel reasonably acceptable to the Issuers), (iii) outside the United States to a foreign person in a transaction meeting the requirements of Rule 904 under the Securities Act, (iv) to certain institutional "accredited investors" within the meaning of Rule 501(a) under the Securities Act, in a minimum principal amount of $250,000, or (v) pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of any state of the United States.

RESALE OF THE SERIES B NOTES

With respect to resales of Series B Notes, based on no-action letters issued by the staff of the Commission to third parties, the Issuers believe that a holder or other person who receives Series B Notes, whether or not such person is the holder (other than a person that is an "affiliate" of the Issuers within the meaning of Rule 405 under the Securities Act), who receives Series B Notes in exchange for Series A Notes in the ordinary course of business and who is not participating, does not intend to participate, and has no arrangement or understanding with any person to participate, in the distribution of the Series B Notes, will be allowed to resell the Series B Notes to the public without further registration under the Securities Act and without delivering to the purchasers of the Series B Notes a prospectus that satisfies the requirements of Section 10 of the Securities Act. However, if any holder acquires Series B Notes in the Exchange Offer for the purpose of distributing or participating in a distribution of the Series B Notes, such holder cannot rely on the position of the staff of the Commission enunciated in such no-action letters, and must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction, unless an exemption from registration is otherwise available. Further, each Participating Broker-Dealer that receives Series B Notes for its own account in exchange for Series A Notes, where such Series A Notes were acquired by such Participating Broker-Dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such Series B Notes. See "Plan of Distribution."

As contemplated by these no-action letters and the Exchange and Registration Rights Agreement, each holder accepting the Exchange Offer is required to represent to the Issuers in the Letter of Transmittal that (i) the Series B Notes are to be acquired by the holder or the person receiving such Series B Notes, whether or not such person is the holder, in the ordinary course of business, (ii) the holder or any such other person (other than a broker-dealer referred to in the next sentence) is not engaging and does not intend to engage, in the distribution of the Series B Notes, (iii) the holder or any such other person has no arrangement or understanding with any person to participate in the distribution of the Series B Notes, (iv) neither the holder nor any such other person is an "affiliate" of the Issuers within the meaning of Rule 405 under the Securities Act, and (v) the holder or any such other person acknowledges that if such holder or other person participates in the Exchange Offer for the purpose of distributing the Series B Notes it must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale of the Series B Notes and cannot rely on those no-action letters. As indicated above, each Participating Broker-Dealer that receives a Series B Note for its own account in exchange for Series A Notes must acknowledge that it will deliver a prospectus in connection with any resale of such Series B Notes. For a description of the procedures for such resales by Participating Broker-Dealers, see "Plan of Distribution."

BOOK-ENTRY; DELIVERY AND FORM

The Series A Notes were offered and sold in connection with the Series A Notes Offering thereof solely to "qualified institutional buyers," as defined in Rule 144A under the Securities Act ("QIBs"), pursuant to Rule 144A and in offshore transactions to persons other than "U.S. persons", as defined in Regulation S under the Securities Act ("Non-U.S. Persons"), in reliance on Regulation S.

THE GLOBAL NOTES

Except as described below, the Series B Notes initially will be represented by permanent global certificates in definitive, fully registered form (the "Global Notes"). The Global Notes will be deposited on the Issue Date with, or on behalf of, The Depository Trust Company ("DTC") and registered in the name of Cede & Co., as nominee of DTC, or will remain in the custody of the Trustee pursuant to the FAST Balance Certificate Agreement between DTC and the Trustee.

All interests in the Global Notes, including those held through Morgan Guaranty Trust Company of New York, Brussels Office, as operator of the Euroclear System ("Euroclear"), or Cedel Bank, societe anonyme ("Cedel"), may be subject to the procedures and requirements of DTC. Those interests held through Euroclear or Cedel may also be subject to the procedures and requirements of such systems.

Any beneficial interest in one of the Global Notes that is transferred to a person who takes delivery in the form of an interest in another Global Note will, upon transfer, cease to be an interest in such Global Note and become an interest in the other Global Note and, accordingly, will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to beneficial interests in such other Global Note for as long as it remains such an interest.

CERTAIN BOOK-ENTRY PROCEDURES FOR THE GLOBAL NOTES

The descriptions of the operations and procedures of DTC, Euroclear and Cedel set forth below are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to change by them from time to time. Neither the Issuers nor the Initial Purchaser takes any responsibility for these operations or procedures, and investors are urged to contact the relevant system or its participants directly to discuss these matters.

DTC has advised the Issuers that it is (i) a limited purpose trust company organized under the laws of the State of New York, (ii) a "banking organization" within the meaning of the New York Banking Law, (iii) a member of the Federal Reserve System, (iv) a "clearing corporation" within the meaning of the Uniform Commercial Code, as amended, and (v) a "clearing agency" registered pursuant to Section 17A of the Exchange Act. DTC was created to hold securities for its participants (collectively, the "Participants") and facilitates the clearance and settlement of securities transactions between Participants through electronic book-entry changes to the accounts of its Participants, thereby eliminating the need for physical transfer and delivery of certificates. DTC's Participants include securities brokers and dealers (including the Initial Purchaser), banks and trust companies, clearing corporations and certain other organizations. Indirect access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies (collectively, the "Indirect Participants") that clear through or maintain a custodial relationship with a Participant, either directly or indirectly. Investors who are not Participants may beneficially own securities held by or on behalf of DTC only through Participants or Indirect Participants.

The Issuers expect that pursuant to procedures established by DTC (i) upon deposit of each Global Note, DTC will credit the accounts of Participants designated by the Initial Purchaser with an interest in the Global Note and (ii) ownership of the Notes will be shown on, and the transfer of ownership thereof will be effected only through, records maintained by DTC (with respect to the interests of Participants) and the records of Participants and the Indirect Participants (with respect to the interests of persons other than Participants).

The laws of some jurisdictions may require that certain purchasers of securities take physical delivery of such securities in definitive form. Accordingly, the ability to transfer interests in the Notes represented by a Global Note to such persons may be limited. In addition, because DTC can act only on behalf of its Participants, who in turn act on behalf of persons who hold interests through Participants, the ability of a person having an interest in Notes represented by a Global Note to pledge or transfer such interest to persons or entities that do not participate in DTC's system, or to otherwise take actions in respect of such interest, may be affected by the lack of a physical definitive security in respect of such interest.

So long as DTC or its nominee is the registered owner of a Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by the Global Note for all purposes under the Indenture. Except as provided below, owners of beneficial interests in a Global Note will not be entitled to have Notes represented by such Global Note registered in their names, will not receive or be entitled to receive physical delivery of Certificated Notes, and will not be considered the owners or holders thereof under the Indenture for any purpose, including with respect to the giving of any direction, instruction or approval to the Trustee thereunder. Accordingly, each holder owning a beneficial interest in a Global Note must rely on the procedures of DTC and, if such holder is not a Participant or an Indirect Participant, on the procedures of the Participant through which such holder owns its interest, to exercise any rights of a holder of Notes under the Indenture or such Global Note. The Issuers understand that under existing industry practice, in the event that the Issuers request any action of holders of Notes, or a holder that is an owner of a beneficial interest in a Global Note desires to take any action that DTC, as the holder of such Global Note, is entitled to take, DTC would authorize the Participants to take such action and the Participants would authorize holders owning through such Participants to take such action or would otherwise act upon the instruction of such holders. Neither the Issuers nor the Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of Notes by DTC, or for maintaining, supervising or reviewing any records of DTC relating to such Notes.

Payments with respect to the principal of, and premium, if any, Liquidated Damages, if any, and interest on, any Notes represented by a Global Note registered in the name of DTC or its nominee on the applicable record date will be payable by the Trustee to or at the direction of DTC or its nominee in its capacity as the registered holder of the Global Note representing such Notes under the Indenture. Under the terms of the Indenture, the Issuers and the Trustee may treat the persons in whose names the Notes, including the Global Notes, are registered as the owners thereof for the purpose of receiving payment thereon and for any and all other purposes whatsoever. Accordingly, neither the Issuers nor the Trustee have or will have any responsibility or liability for the payment of such amounts to owners of beneficial interests in a Global Note (including principal, premium, if any, Liquidated Damages, if any, and interest). Payments by the Participants and the Indirect Participants to the owners of beneficial interests in a Global Note will be governed by standing instructions and customary industry practice and will be the responsibility of the Participants or the Indirect Participants and DTC.

Transfers between Participants in DTC will be effected in accordance with DTC's procedures, and will be settled in same-day funds. Transfers between participants in Euroclear or Cedel will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Subject to compliance with the transfer restrictions applicable to the Notes, cross-market transfers between the Participants in DTC, on the one hand, and Euroclear or Cedel participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Cedel, as the case may be, by its respective depositary; however, such cross-market transactions will require delivery of instructions to Euroclear or Cedel, as the case may be, by the counterparts in such system in accordance with the rules and procedures and within the established deadlines (Brussels time) of such system. Euroclear or Cedel, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositary to take action to effect final settlement on its behalf by delivering or receiving interests in the relevant Global Notes in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Cedel participants may not deliver instructions directly to the depositaries for Euroclear or Cedel.

Because of time zone differences, the securities account of a Euroclear or Cedel participant purchasing an interest in a Global Note from a Participant in DTC will be credited, and any such crediting will be reported to the relevant Euroclear or Cedel participant, during the securities settlement processing day (which must be a business day for Euroclear and Cedel) immediately following the settlement date of DTC. Cash received in Euroclear or Cedel as a result of sales of interest in a Global Security by or through a Euroclear or Cedel participant to a Participant in DTC will be received with value on the settlement date of DTC but will be available in the relevant Euroclear or Cedel cash account only as of the business day for Euroclear or Cedel following DTC's settlement date.

Although DTC, Euroclear and Cedel have agreed to the foregoing procedures to facilitate transfers of interests in the Global Notes among participants in DTC, Euroclear and Cedel, they are under no obligation to perform or to continue to perform such procedures, and such procedures may be discontinued at any time. Neither the Issuers nor the Trustee will have any responsibility for the performance by DTC, Euroclear or Cedel or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

CERTIFICATED NOTES

If (i) the Issuers notify the Trustee in writing that DTC is no longer willing or able to act as a depositary or DTC ceases to be registered as a clearing agency under the Exchange Act and a successor depositary is not appointed within 90 days of such notice or cessation, (ii) the Issuers, at their option, notify the Trustee in writing that it elects to cause the issuance of Notes in definitive form under the Indenture or (iii) upon the occurrence of certain other events as provided in the Indenture, then, upon surrender by DTC of the Global Notes, Certificated Notes will be issued to each person that DTC identifies as the beneficial owner of the Notes represented by the Global Notes. Upon any such issuance, the Trustee is required to register such Certificated Notes in the name of such person or persons (or the nominee of any thereof) and cause the same to be delivered thereto.

Neither the Issuers nor the Trustee shall be liable for any delay by DTC or any Participant or Indirect Participant in identifying the beneficial owners of the related Notes and each such person may conclusively rely on, and shall be protected in relying on, instructions from DTC for all purposes (including with respect to the registration and delivery, and the respective principal amounts, of the Notes to be issued).

PLAN OF DISTRIBUTION

Each Participating Broker-Dealer that receives Series B Notes for its own account pursuant to the Exchange Offer must acknowledge that it will deliver a prospectus in connection with any resale of such Series B Notes. This Prospectus, as it may be amended or supplemented from time to time, may be used in connection with resales of Series B Notes received in exchange for Series A Notes only by Participating Broker-Dealers ("Eligible Participating Broker-Dealers") who acquired such Series A Notes as a result of market-making activities or other trading activities and not by Participating Broker-Dealers who acquired such Series A Notes directly from the Issuers. The Issuers have agreed that for a period of 90 days after the Expiration Date, they will make this Prospectus, as amended or supplemented, available to any Eligible Participating Broker-Dealer for use in connection with any such resale. In addition, until , 1998, all dealers effecting transactions in the Series B Notes may be required to deliver a prospectus.

The Issuers will not receive any proceeds from any sales of the Series B Notes by Participating Broker-Dealers. Series B Notes received by Participating Broker-Dealers for their own account pursuant to the Exchange Offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the Series B Notes or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such Participating Broker-Dealer and/or the purchasers of any such Series B Notes. Any Participating Broker-Dealer that resells the Series B Notes that were received by it for its own account pursuant to the Exchange Offer and any broker or dealer that participates in a distribution of such Series B Notes may be deemed to be an "underwriter" within the meaning of the Securities Act and any profit on any such resale of Series B Notes and any commission or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The Letter of Transmittal states that, by acknowledging that it will deliver and by delivering a prospectus, a Participating Broker-Dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

For a period of 90 days after the Expiration Date, the Issuers will promptly send additional copies of this Prospectus and any amendment or supplement to this Prospectus to any Eligible Participating Broker-Dealer that requests such documents in the Letter of Transmittal. The Issuers have agreed to pay all expenses incident to the Exchange Offer (including the expenses of one counsel for the Holders of the Notes) other than commissions or concessions of any Participating Broker-Dealer and will indemnify the Holders of the Notes (including any Participating Broker-Dealers) against certain liabilities including liabilities under the Securities Act.

LEGAL MATTERS

Certain legal matters with respect to the Series B Notes offered hereby will be passed upon for the Issuers by Cooperman Levitt Winikoff Lester & Newman, P.C., New York, New York. Robert L. Winikoff, a member of the Executive Committee of Mediacom, is a member of Cooperman Levitt Winikoff Lester & Newman, P.C.

EXPERTS

The consolidated balance sheets of the Company as of December 31, 1997 and 1996 and the consolidated statements of operations and accumulated deficit and cash flows for the year ended December 31, 1997 and for the period from March 12, 1996 (the commencement of operations) to December 31, 1996 of Mediacom LLC and the Subsidiaries included in this Prospectus and elsewhere in the Registration Statement have been audited by Arthur Andersen LLP, independent public accountants, as indicated in their report with respect thereto, and are included herein in reliance upon the authority of said firm as experts in accounting and auditing.

The consolidated balance sheets of the Cablevision Systems as of December 31, 1997 and 1996 and the related consolidated statements of operations, partners' capital/(deficiency) and cash flows for the year ended December 31, 1997 and for the periods January 1, 1996 to August 12, 1996, and August 13, 1996 to December 31, 1996 and the consolidated balance sheets of the Cablevision Systems as of December 31, 1996 and 1995 and the related consolidated statements of operations, partners' capital/(deficiency) and cash flows for the periods January 1, 1996 to August 12, 1996, and August 13, 1996 to December 31, 1996 and for the years ended December 31, 1995 and 1994, have been included in this Prospectus and in the Registration Statement in reliance upon the reports of KPMG Peat Marwick LLP, independent certified public accountants, appearing elsewhere herein, and upon the authority of said firm as experts in accounting and auditing. The reports of KPMG Peat Marwick LLP include an explanatory paragraph relating to a change in cost basis of the consolidated financial information as a result of a redemption of certain limited and general partnership interests effective August 13, 1996.

The combined statements of operations and partnership's investment and cash flows of the Lower Delaware System (as defined in Note 1 to the combined statements of operations and partnership's investment and cash flows) for the period from January 1, 1997 to June 23, 1997 and for the year ended December 31, 1996, have been included herein, in reliance upon the report, dated April 30, 1998, of KPMG Peat Marwick LLP, independent certified public accountants, appearing elsewhere herein, and upon the authority of said firm as experts in accounting and auditing.

The statements of operations and partners' capital and cash flows of Saguaro Cable TV Investors Limited Partnership for the period from January 1, 1996 to December 31, 1996 included in this Prospectus and elsewhere in the Registration Statement, have been audited by Gustafson, Crandall & Christensen, Inc., independent public accountants, as indicated in their report with respect thereto, and are included herein in reliance upon the authority of said firm as experts in accounting and auditing.

The statements of operations and cash flows of Benchmark Acquisition Fund II Limited Partnership for the year ended December 31, 1995 included in this Prospectus and elsewhere in the Registration Statement, have been audited by Keller Bruner & Company, L.L.C., independent public accountants, as indicated in their report with respect thereto, and are included herein in reliance upon the authority of said firm as experts in accounting and auditing.

ADDITIONAL AVAILABLE INFORMATION

The Issuers have filed with the Commission a Registration Statement on Form S-4 (together with all amendments, exhibits and schedules thereto, the "Registration Statement") under the Securities Act with respect to the Series B Notes offered hereby. This Prospectus does not contain all the information set forth in the Registration Statement, certain parts of which are omitted in accordance with the rules and regulations of the Commission, and to which reference is hereby made. Statements contained in this Prospectus as to the contents of any contract, agreement or any other document referred to are not necessarily complete. With respect to each such contract, agreement or other document filed as an exhibit to the Registration Statement, reference is made to such exhibit to the Registration Statement for a more complete description of the matter involved, and each such statement shall be deemed qualified in its entirety by such reference.

The Registration Statement can be inspected and copied at the Public Reference Section of the Commission at Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20459, and at the Commission's regional offices at Seven World Trade Center, New York, New York 10048, and Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661. Copies of the Registration Statement can be obtained from the Public Reference Section of the Commission at Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20459, at prescribed rates. The Issuers are filing the Registration Statement with the Commission electronically. The Commission maintains a web site that contains reports, proxy and information statements and other information regarding registrants that file electronically with the Commission. The address of that web site is http://www.sec.gov.

As a result of the Exchange Offer, the Issuers will be subject to the information reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). So long as the Issuers are subject to such periodic reporting requirements under the Exchange Act, they will continue to furnish the information required thereby to the Commission. The Issuers will be required to file periodic reports with the Commission pursuant to the Exchange Act during the Issuers' current fiscal year and thereafter so long as the Notes are held by at least 300 registered holders. The Issuers do not anticipate that, for periods following December 31, 1998, the Notes will be held of record by more than 300 holders. Accordingly, after such date, the Issuers do not expect to be required to comply with the periodic reporting obligations imposed under the Exchange Act. However, under the Indenture relating to the Notes, the Company has agreed that it will, to the extent such filings are accepted by the Commission, and whether or not the Company has a class of securities registered under the Exchange Act, file with the Commission, and provide the Trustee and the holders of the Notes within 15 days after such filings with, annual reports containing the information required to be contained in Form 10-K promulgated under the Exchange Act, quarterly reports containing the information required to be contained in Form 10-Q promulgated under the Exchange Act, and from time to time such other information as is required to be contained in Form 8-K promulgated under the Exchange Act. If filing such reports with the Commission is not accepted by the Commission or prohibited by the Exchange Act, the Company will also provide copies of such reports, at its cost, to prospective purchasers of the Notes promptly upon written request.

GLOSSARY

The following is a description of certain terms used in this Prospectus:

ADDRESSABILITY	Addressable technology enables the cable television operator to electronically control from its central facilities the cable television services delivered to the subscriber. This technology facilitates pay-per-view services, reduces service theft, and provides a cost-effective method to upgrade and downgrade programming services to subscribers.
BASIC PENETRATION	Basic subscribers as a percentage of total number of homes passed.
BASIC SERVICE TIER	A package of over-the-air broadcast stations, local access channels and certain satellite-delivered cable television services (other than premium services).
BASIC SUBSCRIBER	A subscriber to a cable television system who receives the Basic Service Tier and who is usually charged a flat monthly rate for a number of channels.
CPST	Cable programming services other than programming services provided on the Basic Service Tier or on a per-channel or per-program basis. Also referred to as expanded basic service.
CABLE MODEM	A device similar to a telephone modem that sends and receives signals over a cable television network at speeds exceeding 100 times the capacity of a telephone modem.
CONVERTER	Electronic device that permits tuning of a cable television signal to permit reception by subscriber television sets and VCRs and provides a means of access control for cable television programming.
COST-OF-SERVICE	A rate-setting methodology prescribed by the FCC which may give a cable television operator the ability to establish maximum rates for regulated services in excess of the benchmark rate that would otherwise be applicable.
DIGITAL COMPRESSION	The conversion of the standard analog video signal into a digital signal, and the compression of that signal to facilitate multiple channel transmissions through a single channel's bandwidth.
DIRECT BROADCAST SATELLITE (DBS)	A service by which packages of television programming are transmitted via high-powered satellites to individual homes, each served by a small satellite dish.
EBITDA	Represents operating income (loss) before depreciation and amortization.

FIBER-TO-THE-FEEDER (FTF)	This network architecture, using a combination of fiber optic cable and coaxial cable transmission lines, delivers signals deeper into the cable plant than fiber backbone design. The FTF plant transmits signals to small neighborhood nodes and then from the nodes to the end user on a combination of coaxial cable distribution/feeder and customer drop lines. FTF design is ideal for heavily populated areas.
FIBER BACKBONE	The principal fiber optic trunk lines that deliver signals to smaller concentrations of customers along longer transmission lines than FTF design. Fiber backbone design is ideal for scattered pockets of concentrated customers served from one headend facility.
FIBER OPTIC CABLE	Cable made of glass fibers through which signals are transmitted as pulses of light to the distribution portion of the cable television which in turn goes to the customer's home. Capacity for a very large number of channels can be more easily provided.
HEADEND	A collection of hardware, typically including satellite receivers, modulators, amplifiers and video cassette playback machines within which signals are processed and then combined for distribution within the cable television network.
HIGH-SPEED DATA NETWORK	Any network dedicated to the transmission of data to residences and commercial establishments. Includes Local Area Networks (LAN).
HOMES PASSED	A home is deemed to be passed if it can be connected to the distribution system without further extension of the distribution network.
INTERNET	The large, worldwide network of thousands of smaller, interconnected computer networks. Originally developed for use by the military and for academic research purposes, the Internet is now accessible by millions of users.
LAN	Local Area Network. A communications network that serves users within a confined geographical area, consisting of servers, workstations, a network operating system and a communications link.
LOCAL MULTIPOINT DISTRIBUTION SERVICE	A proposed method of distribution for television and information using microwave transmissions at a higher frequency than MMDS.
MDU	Multiple dwelling units such as condominiums, apartment complexes, hospitals, hotels and other commercial complexes.
MULTICHANNEL MULTIPOINT DISTRIBUTION SERVICE (MMDS)	A one-way radio transmission of television channels over microwave frequencies from a fixed station transmitting to multiple receiving facilities located at fixed points.

MULTIPLE SYSTEM OPERATOR (MSO)	A cable television operator that owns or operates more than one cable television system.
MUST CARRY	The provisions of the 1992 Act that require cable television operators to carry local commercial and noncommercial television broadcast stations on their systems.
NON-METROPOLITAN MARKETS	Markets consisting of small cities and their surrounding areas, typically with populations of 500,000 or less, according to the metropolitan areas measurement of the U.S. Census Bureau.
PAY-PER-VIEW	Programming offered by a cable television operator on a per-program basis which a subscriber selects and for which a subscriber pays a separate fee.
PREMIUM PENETRATION	Premium service units as a percentage of the total number of basic service subscribers. A customer may purchase more than one premium service, each of which is counted as a separate premium service unit. This ratio may be greater than 100% if the average customer subscribes to more than one premium service unit.
PREMIUM SERVICE	Individual cable programming service available only for monthly subscriptions on a per-channel basis.
PREMIUM UNITS	The number of subscriptions to premium services which are paid for on an individual basis.
REGIONAL CLUSTER	Cable television systems grouped in specific geographic regions and managed together to achieve economies of scale and operating efficiencies in such areas as system management, marketing, administrative and technical service.
SYSTEM CASH FLOW	Represents EBITDA before management fees.
TELEPHONE MODEM	A device either inserted in a computer or attached externally that encodes (modulates) or decodes (demodulates) an analog telephone signal to a digital signal to receive data.
UPGRADE	The upgrade of an existing cable television system, usually undertaken to improve either its technological performance or to expand the capacity in order to provide more programming and other services.

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To Mediacom LLC:

We have audited the accompanying consolidated balance sheets of Mediacom LLC (a New York limited liability company) and subsidiaries as of December 31, 1997 and 1996, and the related consolidated statements of operations, changes in members' equity and cash flows for the year ended December 31, 1997 and for the period from commencement of operations (March 12, 1996) to December 31, 1996. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Mediacom LLC and its subsidiaries as of December 31, 1997 and 1996, and the results of their operations, members' equity and cash flows for the year ended December 31, 1997 and for the period from commencement of operations (March 12, 1996) to December 31, 1996 in conformity with generally accepted accounting principles.

Arthur Andersen LLP

Stamford, Connecticut
April 4, 1998

INDEPENDENT AUDITORS' REPORT

To the Partners
Benchmark Acquisition Fund II Limited Partnership
Sterling, Virginia

We have audited the accompanying statements of operations and cash flows of Benchmark Acquisition Fund II Limited Partnership (the Partnership) for the year ended December 31, 1995. These financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the results of operations and cash flows of Benchmark Acquisition Fund II Limited Partnership for the year ended December 31, 1995, in conformity with generally accepted accounting principles.

As discussed in Note 3 to the financial statements, in 1996 the Partnership sold substantially all of its assets to an unrelated entity.

Keller Bruner & Company, L.L.C.

Bethesda, Maryland
February 28, 1996, except Note 3,
as to which the date is March 12, 1996

MEDIACOM LLC AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 1997 AND 1996
(ALL DOLLAR AMOUNTS IN 000'S)

	1997	1996
ASSETS		
Cash and cash equivalents	$ 1,027	$ 396
Subscriber accounts receivable, net of allowance for doubtful accounts of $56 in 1997 and $25 in 1996	618	267
Prepaid expenses and other assets	1,358	1,323
Investment in cable television systems:		
Inventory	1,032	327
Property, plant and equipment, at cost	51,735	18,993
Less- accumulated depreciation	(5,737)	(1,056)
Property, plant and equipment, net	45,998	17,937
Intangible assets, net of accumulated amortization of $3,429 in 1997 and $923 in 1996	47,859	24,307
Total investment in cable television systems	94,889	42,571
Other assets, net of accumulated amortization of $627 in 1997 and $178 in 1996	4,899	2,003
Total assets	$102,791	$46,560
LIABILITIES AND MEMBERS' EQUITY		
LIABILITIES		
Senior bank debt	$ 69,575	$37,600
Seller note	3,193	2,929
Accounts payable and accrued expenses	4,874	1,354
Subscriber advances	603	105
Management fees payable	105	35
Total liabilities	78,350	42,023
MEMBERS' EQUITY		
Capital contributions	30,990	6,490
Accumulated deficit	(6,549)	(1,953)
Total members' equity	24,441	4,537
Total liabilities and members' equity	$102,791	$46,560

The accompanying notes to consolidated financial statements are an integral part of these balance sheets.

MEDIACOM LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 1997,
FOR THE PERIOD FROM COMMENCEMENT OF OPERATIONS
(MARCH 12, 1996) TO DECEMBER 31, 1996, AND FOR THE YEAR ENDED DECEMBER 31, 1995
(ALL DOLLAR AMOUNTS IN 000'S)

	THE COMPANY		PREDECESSOR
	DECEMBER 31, 1997	MARCH 12, 1996 THROUGH DECEMBER 31, 1996	DECEMBER 31, 1995
Revenues	$17,634	$ 5,411	$ 5,171
Costs and expenses:			
Service costs	5,547	1,511	1,536
Selling, general and administrative expenses	2,696	931	1,059
Management fee expense	882	270	261
Depreciation and amortization	7,636	2,157	3,945
Operating income (loss)	873	542	(1,630)
Interest expense, net	4,829	1,528	935
Other expenses	640	967	--
Net loss	$(4,596)	$(1,953)	$(2,565)

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

MEDIACOM LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN MEMBERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 1997 AND
FOR THE PERIOD FROM COMMENCEMENT OF OPERATIONS
(MARCH 12, 1996) TO DECEMBER 31, 1996
(ALL DOLLAR AMOUNTS IN 000'S)

Balance, Commencement of Operations (March 12, 1996)	$ 5,490
Capital Contributions	1,000
Net Loss	(1,953)
Balance, December 31, 1996	4,537
Capital Contributions	24,500
Net Loss	(4,596)
Balance, December 31, 1997	$24,441

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

MEDIACOM LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 1997,
FOR THE PERIOD FROM COMMENCEMENT
(MARCH 12, 1996) TO DECEMBER 31, 1996,
AND FOR THE YEAR ENDED DECEMBER 31, 1995
(ALL DOLLAR AMOUNTS IN 000'S)

	THE COMPANY		PREDECESSOR
	DECEMBER 31, 1997	MARCH 12, 1996 THROUGH DECEMBER 31, 1996	DECEMBER 31, 1995
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	$ (4,596)	$ (1,953)	$(2,565)
Adjustments to reconcile net loss to net cash flows from operating activities:			
Depreciation and amortization	7,636	2,157	3,945
(Increase) decrease in subscriber accounts receivable	(351)	(267)	31
(Increase) decrease in prepaid expenses and other assets	(34)	(1,323)	31
Increase (decrease) in accounts payable and accrued expenses	3,520	1,354	(2)
Increase (decrease) in subscriber advances	498	105	(23)
Increase in management fees payable	70	35	--
Increase in due to related entities	--	--	61
Net cash flows from operating activities	6,743	108	1,478
CASH FLOWS USED IN INVESTING ACTIVITIES:			
Capital expenditures	(4,699)	(671)	(261)
Acquisitions of cable television systems	(54,842)	(44,539)	--
Other, net	(467)	(47)	--
Net cash flows used in investing activities	(60,008)	(45,257)	(261)
CASH FLOWS FROM FINANCING ACTIVITIES:			
New borrowings	72,225	39,200	--
Repayment of debt	(40,250)	(1,600)	(1,077)
Increase in seller note	264	2,929	--
Capital contributions	24,500	6,490	--
Financing costs	(2,843)	(1,474)	--
Net cash flows from financing activities	53,896	45,545	(1,077)
Net increase in cash and cash equivalents	631	396	140
CASH AND CASH EQUIVALENTS, beginning of period	396	--	126
CASH AND CASH EQUIVALENTS, end of period	$ 1,027	$ 396	$ 266
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:			
Cash paid during the year for interest	$ 4,485	$ 1,190	$ 935

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 1997 AND 1996
(ALL DOLLAR AMOUNTS IN 000'S)

(1) THE LIMITED LIABILITY COMPANY:

Organization

Mediacom LLC ("Mediacom" and collectively with its subsidiaries, the "Company"), a New York limited liability company, was formed on July 17, 1995 and initially conducted its affairs pursuant to an operating agreement dated March 12, 1996 (the "1996 Operating Agreement"). On March 31 and June 16, 1997, the 1996 Operating Agreement was amended and restated upon the admission of new members to Mediacom (the "1997 Operating Agreement"). On January 20, 1998, the 1997 Operating Agreement was amended and restated upon the admission of additional members to Mediacom (the "1998 Operating Agreement"). As of December 31, 1997, the Company had acquired and was operating cable television systems in California, Delaware and Arizona (see Note 3).

Capitalization

The Company was initially capitalized on March 12, 1996, with equity contributions of $5,445 from Mediacom's members and $45 from Mediacom Management Corporation ("Mediacom Management"). On June 28, 1996, Mediacom received additional equity contributions of $1,000 from an existing member.

On June 22 and September 18, 1997, Mediacom received additional equity contributions of $19,500 and $5,000, respectively, from its members. On January 22, 1998, in connection with the acquisition of the Cablevision Systems (see Note 13), Mediacom received additional equity contributions of $94,000 from its members.

Allocation of Losses, Profits and Distributions

For 1996, net losses were allocated 98% to the Commisso Members as defined in the operating agreements (the "Managing Member") and the balance to the other members ratably in accordance with their respective membership units. For 1997, pursuant to the 1997 Operating Agreement, net losses were allocated 99% to the Managing Member and the balance to the other members ratably in accordance with their respective membership units.

Profits are allocated first to the members to the extent of their deficit capital account; second, to the members to the extent of their preferred capital; third, to the members (including the Managing Member) until they receive an 8% preferred return on their preferred capital (the "Preferred Return"); fourth, to the Managing Member until the Managing Member receives an amount equal to 25% of the amount provided to deliver the Preferred Return to all members; the balance, 80% to the members (including the Managing Member) in proportion to their respective membership units and 20% to the Managing Member. The 1997 Operating Agreement increased the Preferred Return from 8% to 12%.

Distributions are made first to the members (including the Managing Member) in proportion to their respective membership units until they receive amounts equal to their preferred capital; second, to the members (including the Managing Member) in proportion to their percentage interests until all members receive the Preferred Return; third, to the Managing Member until the Managing Member receives 25% of the amount provided to deliver the Preferred Return; the balance, 80% to the members (including the Managing Member) in proportion to their percentage interests and 20% to the Managing Member.

Redemption Rights

Except as set forth below, no member has the right to have its membership interests redeemed or its capital contributions returned prior to dissolution of Mediacom. Pursuant to the 1998 Operating Agreement, each member has the right to require Mediacom to redeem its membership interests at any time if the holding of such interests exceeds the amount permitted, or is otherwise prohibited or becomes unduly burdensome, by any law to which such member is subject, or, in the case of any member which is a Small Business Investment Company as defined in and subject to regulation under the Small Business Investment Act of 1958, as amended, upon a change in the Company's principal business activities to an activity not eligible for investment by a Small Business Investment Company or a change in the reported use of proceeds of a member's investment in Mediacom. If Mediacom is unable to redeem for cash any or all of such membership interests at such time, Mediacom will issue as payment for such interests a junior subordinated promissory note with a five-year maturity date and deferred interest which accrues and compounds at an annual rate of 5% over prime.

In addition, in connection with the Company's acquisition of the Cablevision Systems on January 23, 1998 (see Note 13), the Federal Communications Commission (the "FCC") issued a transactional forbearance from its cross-ownership restrictions, effective for a period of one year, permitting a certain existing member (the "Transactional Member") to purchase additional units of membership interest in Mediacom. If at the end of such one-year period, the Transactional Member's membership interest in Mediacom remains above the limitations imposed by the FCC's cross-ownership restrictions, Mediacom will be required to repurchase such number of the Transactional Member's units of membership interest which exceed the permissible ownership level. If such repurchase were to occur on January 23, 1999 (i.e., upon expiration of the transactional forbearance), and assuming no changes in the number of outstanding membership units of Mediacom and no changes in such cross-ownership rules, the repurchase price for such excess membership interests would be approximately $7,500.

Duration and Dissolution

Mediacom will be dissolved upon the first to occur of the following: (i) December 31, 2020; (ii) certain events of bankruptcy involving the Managing Member or the occurrence of any other event terminating the continued membership of the Managing Member, unless within one hundred eighty days after such event the Company is continued by the vote or written consent of no less than two-thirds of the remaining membership interests; or (iii) the entry of a decree of judicial dissolution.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Preparation of Consolidated Financial Statements

The consolidated financial statements include the accounts of Mediacom and its subsidiaries. All significant intercompany transactions and balances have been eliminated. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The financial statements for the year ended December 31, 1995, reflecting the results of operations and statement of cash flows, are referred to as the "Predecessor" financial statements. The

(ALL DOLLAR AMOUNTS IN 000'S)

Predecessor is Benchmark Acquisition Fund II Limited Partnership which owned the assets comprising the cable television system serving at the time of its acquisition by the Company 10,300 subscribers in Ridgecrest, California (the "Ridgecrest System"). See Note 3. Accordingly, the accompanying financial statements of the Predecessor and the Company are not comparable in all material respects since those financial statements report results of operations and cash flows of these two separate entities.

Revenue Recognition

Revenues are recognized in the period in which the related services are provided to the Company's subscribers.

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Concentration of Credit Risk

The Company's accounts receivable is comprised of amounts due from subscribers in varying regions throughout the United States. Concentration of credit risk with respect to these receivables are limited due to the large number of customers comprising the Company's customer base and their geographic dispersion.

Property, Plant and Equipment

Property, plant and equipment is recorded at purchased and capitalized cost. Repairs and maintenance are charged to operations, and replacements, renewals and additions are capitalized. The Company capitalized a portion of salaries and overhead related to the installation of property, plant and equipment of approximately $681 and $107 in 1997 and 1996, respectively.

Intangible Assets

Intangible assets include franchising costs, goodwill, subscriber lists and covenants not to compete. Amortization of intangible assets is calculated on a straight-line basis over the following lives:

Franchising costs	15 years
Goodwill	15 years
Subscriber lists	5 years
Covenants not to compete	3-7 years

Impairment of Long-Lived Assets

The Company follows the provisions of Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of" ("SFAS 121"). SFAS 121 requires that long-lived assets and certain identifiable intangibles to be held and used by any entity, be reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. There has been no impairment of long-lived assets of the Company under SFAS 121.

Other Assets

Other assets include organizational and financing costs. Organizational costs are being amortized on a straight-line basis over periods ranging from 5 to 8 years. Financing costs incurred to raise debt and equity capital are deferred and amortized on a straight-line basis over the expected term of such financings. Included in "Other assets" are financing costs of $3,963 and $1,388 as of December 31, 1997 and 1996, respectively.

Income Taxes

Since Mediacom is a limited liability company and the Predecessor is a limited partnership, they are not subject to federal or state income taxes, and no provision for income taxes relating to their statements of operations have been reflected in the accompanying financial statements. The members of Mediacom and the limited partners of the Predecessor are required to report their share of income or loss in their respective income tax returns.

(3) ACQUISITIONS:

The undernoted acquisitions (the "Acquired Systems") were accounted for as purchases with the acquired assets and liabilities recorded at their fair values. Accordingly, the results of operations of the Acquired Systems have been included with those of the Company since the date of acquisition.

1997

On June 24, 1997, Mediacom Delaware LLC ("Mediacom Delaware"), a directly owned subsidiary of Mediacom, acquired the assets of a cable television system serving approximately 29,300 subscribers in lower Delaware and southwestern Maryland for a purchase price of $42,900. The purchase price, together with $275 of direct acquisition costs, has been allocated as follows: $21,306 to property, plant and equipment and $21,869 to intangible assets.

On September 19, 1997, Mediacom California LLC ("Mediacom California"), a directly owned subsidiary of Mediacom, acquired the assets of a cable television system serving approximately 9,600 subscribers in Sun City, California for a purchase price of $11,500. The purchase price, together with $167 of direct acquisition costs, has been allocated as follows: $7,150 to property, plant and equipment and $4,517 to intangible assets.

1996

On March 12, 1996, Mediacom California acquired the assets of the Ridgecrest System serving approximately 10,300 subscribers in Ridgecrest, California and surrounding communities for a purchase price of $18,750. The purchase price, together with $285 of direct acquisition costs, has been allocated as follows: $5,303 to property, plant and equipment and $13,732 to intangible assets.

On June 28, 1996, Mediacom California acquired the assets of a cable television system serving approximately 6,600 subscribers in Kern Valley, California and surrounding communities (the "Kern Valley System") for a purchase price of $8,250 in cash plus a senior subordinated note payable to the seller of $2,800 (see Note 8). The purchase price, together with $17 of direct acquisition costs, has been allocated as follows: $5,537 to property, plant and equipment and $5,530 to intangible assets.

On December 27, 1996, Mediacom California acquired the assets of a cable television system serving approximately 2,000 subscribers in Valley Center, California and surrounding communities for a purchase price of $2,515. The purchase price, together with $23 of direct acquisition costs, has been allocated as follows: $2,030 to property, plant and equipment and $508 to intangible assets.

On December 27, 1996, Mediacom Arizona LLC ("Mediacom Arizona"), a directly owned subsidiary of Mediacom, acquired the assets of cable television systems serving approximately 8,000 subscribers in Nogales and Ajo, Arizona and surrounding communities for a purchase price of $11,420. The purchase price, together with $137 of direct acquisition costs, has been allocated as follows: $5,590 to property, plant and equipment and $5,967 to intangible assets.

(ALL DOLLAR AMOUNTS IN 000'S)

On December 10, 1996, Mediacom California acquired an Internet service provider serving approximately 2,200 subscribers in Ridgecrest, California and surrounding communities for an initial purchase price of $342, which has been allocated as follows: $325 to property, plant and equipment and $17 to intangible assets.

(4) PRO FORMA RESULTS:

Summarized below are the pro forma unaudited results of operations for the years ended December 31, 1997 and 1996, assuming the purchase of the Acquired Systems had been consummated as of January 1, 1996. Adjustments have been made to: (i) operating expenses; (ii) depreciation and amortization reflecting the fair value of the assets acquired; (iii) interest expense; (iv) management fees; and (v) other expenses. The pro forma results may not be indicative of the results that would have occurred if the combination had been in effect on the dates indicated or which may be obtained in the future.

	YEAR ENDED DECEMBER 31, 1997	YEAR ENDED DECEMBER 31, 1996
Revenue	$24,074	$23,017
Operating income (loss)	231	(1,914)
Net loss	$(6,550)	$(9,688)

(5) RECENT ACCOUNTING PRONOUNCEMENTS:

In June 1997, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income" (SFAS 130). SFAS 130 establishes standards for reporting and display of comprehensive income and its components in the financial statements. SFAS 130 is effective for fiscal years beginning after December 15, 1997. Reclassification of financial statements for earlier periods provided for comparative purposes is required. The adoption of this standard is not expected to impact the Company's results of operations, financial position or cash flows.

(6) PROPERTY, PLANT AND EQUIPMENT:

As of December 31, 1997 and 1996, property, plant and equipment consisted of:

	1997	1996
Land	$ 108	$ 108
Buildings and leasehold improvements	337	250
Cable systems, equipment and subscriber devices	49,071	17,614
Vehicles	1,135	378
Furniture, fixtures and office equipment	1,084	643
	$51,735	$18,993

Depreciation is calculated on a straight-line basis over the following useful lives:

Buildings	45 years
Leasehold improvements	Life of respective lease
Cable systems and equipment	5 to 10 years
Subscriber devices	5 years
Vehicles	5 years
Furniture, fixtures and office equipment	5 to 10 years

(ALL DOLLAR AMOUNTS IN 000'S)

(7) SENIOR BANK DEBT:

On December 27, 1996, Mediacom's subsidiaries entered into an amended and restated credit agreement, providing for a $15,000 reducing revolving credit and a $25,000 term loan. On June 24, 1997, Mediacom California, Mediacom Delaware and Mediacom Arizona (collectively, the "Western Group") entered into a second amended and restated credit agreement (the "Western Credit Facility"), providing for a $40,000 reducing revolving credit and $60,000 in term loans. On March 24, 1998, the Western Credit Facility was amended, providing for a $70,000 reducing revolving credit (the "Revolver") and a $30,000 term loan ("Term Loan"). Under the terms of the Western Credit Facility, the Western Group may borrow up to $70,000 under the Revolver, subject to certain limitations. Beginning on September 30, 1998, the Western Credit Facility provides for quarterly reductions, ranging from 0.21% to 8.29% of the Revolver, with a final reduction on September 30, 2005. Beginning on September 30, 1998, the Term Loan will be repaid in 29 consecutive quarterly installments, ranging from 0.42% to 11.67% of the Term Loan, with the final installment on September 30, 2005. The Western Credit Facility also provides mandatory reductions of the Revolver and mandatory prepayments of the Term Loan from excess cash flow as defined, beginning December 31, 1999.

The Western Credit Facility provides for a commitment fee of 1/2% per annum on the unused portion of the Revolver and such fees are reflected in "Other expenses" in the accompanying consolidated statements of operations. Under the Western Credit Facility, the Company has the option of paying interest at either the Base Rate or the Eurodollar Rate, as defined below, plus a margin which is based on the attainment of certain financial ratios. The effective interest rate at December 31, 1997 was 8.33% before giving effect to the interest rate exchange agreements described below. The applicable margins for the respective borrowing rate options have the following ranges:

INTEREST RATE OPTION	MARGIN RATE
Base Rate	0.375% to 1.75%
Eurodollar Rate	1.375% to 2.75%

The Western Credit Facility contains covenants, including, but not limited to, insurance requirements, limitations on mergers and acquisitions, consolidations and sales of certain assets, restrictions on certain transactions with affiliates, the maintenance of certain financial ratios, such as, the leverage ratio, the interest coverage ratio and the fixed charge coverage ratio, limitations on liens, the incurrence of additional indebtedness and certain restricted payments, and restrictions on the ability to engage in any business. The Western Group is in compliance with all financial ratios as of December 31, 1997. The Western Credit Facility is secured by Mediacom's pledge of all its ownership interests in the Western Group and a first priority lien on all the tangible and intangible assets of the Western Group, other than real property. The indebtedness under the Western Credit Facility is guaranteed by Mediacom on a limited recourse basis to the extent of its ownership interests in the Western Group.

The stated maturities of all debt outstanding under the Western Credit Facility, as amended, as of December 31, 1997 are as follows:

1998	$ 250
1999	2,000
2000	2,300
2001	3,600
2002	4,000
Thereafter	57,425
	$69,575

The Western Group has entered into interest rate exchange agreements (the "Swaps") with various banks pursuant to which the interest rate on $62,000 is fixed at a weighted average swap rate of 6.19%, plus the average applicable margin over the Eurodollar Rate option under the Western Credit Facility. Under the terms of the Swaps, which expire from 1998 through 2002, the Company is exposed to credit loss in the event of nonperformance by the other parties to the Swaps. However, the Company does not anticipate nonperformance by the counterparties.

(8) SELLER NOTE:

In connection with the acquisition of the Kern Valley System, the Western Group issued to the seller an unsecured senior subordinated note (the "Seller Note") in the amount of $2,800, with a final maturity of June 28, 2006. Interest is deferred throughout the term of the note and is payable at maturity or upon prepayment. For the five-year period ending June 28, 2001, the annual interest rate is 9.0%. After the initial five-year period, the annual interest rate increases to 15.0%, with an interest clawback for the first five years. After the initial seven-year period, the interest rate increases to 18.0%, with an interest clawback for the first seven years. The Company intends to prepay the Seller Note plus accrued interest on or before June 28, 2001, subject to prior approval by the parties to the Western Credit Facility, which the Company believes it will obtain. The Company expects to repay the Seller Note with cash flow generated from operations and future borrowings. There are no penalties associated with prepayment of this note.

The Seller Note agreement contains a debt incurrence covenant limiting the ability of the Western Group to incur additional indebtedness. The Seller Note is subordinated and junior in right of payment to all senior obligations, as defined in Western Credit Facility.

(9) RELATED PARTY TRANSACTIONS:

In accordance with the operating agreements and separate management agreements with each of Mediacom's subsidiaries, Mediacom Management is paid compensation for management services performed for the Company. Under such agreements, Mediacom Management, wholly-owned by the Managing Member, is entitled to receive annual management fees calculated as follows: (i) 5.0% of the first $50,000 of annual gross operating revenues of the Company; (ii) 4.5% of such revenues in excess thereof up to $75,000; and (iii) 4.0% of such revenues in excess of $75,000. The Company incurred management fees of approximately $882 and $270 in 1997 and 1996, respectively.

For the year ended December 31, 1995, the Predecessor had an agreement with a related party for the management and operation of the Ridgecrest System. The Predecessor paid a monthly management fee of 5% of the Predecessor's gross revenues, as defined in a certain management agreement. The Predecessor also reimbursed this related party for various expenses including marketing, engineering and accounting paid on its behalf. For the year ended December 31, 1995, the Predecessor incurred management fees of approximately $261 and reimbursed expenses to this related party of approximately $41.

Pursuant to the operating agreements of Mediacom, Mediacom Management is also entitled to receive a fee of 1.0% of the purchase price of acquisitions made by the Company until the Company's pro forma consolidated annual operating revenues equal $75,000 and 0.5% of such purchase price thereafter. The Company incurred acquisition fees of $544 in 1997 and $453 in 1996, respectively. The acquisition fees are included in "Other expenses" in the statement of operations.

(ALL DOLLAR AMOUNTS IN 000'S)

In addition, the operating agreements of the Company provide for the reimbursement of reasonable out-of-pocket expenses of Mediacom Management incurred in connection with the operation of the business of the Company and acting for or on behalf of the Company in connection with any potential acquisitions. In 1997 and 1996, the Company reimbursed Mediacom Management $59 and $29, respectively, for such services. Any such amounts incurred in connection with completed acquisitions by the Company were capitalized and are included in "Intangible assets" in the balance sheet.

(10) EMPLOYEE BENEFIT PLANS:

Substantially all employees of the Company are eligible to participate in a deferred arrangement pursuant to IRC Section 401(k) (the "Plan"). Under such arrangement, eligible employees may contribute up to 15% of their current pre-tax compensation to the Plan. The Plan permits, but does not require, matching contributions and non-matching (profit sharing) contributions to be made by the Company up to a maximum dollar amount or maximum percentage of participant contributions, as determined annually by the Company. The Company presently matches 50% on the first 6% of employee contributions. The Company's contributions under the Plan totaled approximately $14 and $10 during 1997 and 1996, respectively.

(11) COMMITMENTS AND CONTINGENCIES:

Under various lease and rental agreements for offices, warehouses and computer terminals, the Company had rental expense of approximately $138 and $22 for 1997 and 1996, respectively. Future minimum annual rental payments are as follows:

1998	$163
1999	143
2000	139
2001	140
2002	140

In addition, the Company rents utility poles in its operations generally under short-term arrangements, but the Company expects these arrangements to recur. Total rental expense for utility poles was approximately $102 and $24 in 1997 and 1996, respectively.

On August 29, 1997, a bank issued an irrevocable letter of credit on behalf of Mediacom in favor of the sellers of the Cablevision Systems to secure Mediacom's performance under the asset purchase agreement for the Cablevision Systems. Such letter of credit was terminated upon the consummation of the purchase of the Cablevision Systems on January 23, 1998 (see Note 13).

Legal Proceedings

Management is not aware of any legal proceedings currently that will have a material adverse impact on the Company's financial statements.

Regulation in the Cable Television Industry

The cable television industry is subject to extensive regulation by federal, local and, in some instances, state governmental agencies. The Cable Television Consumer Protection and Competition Act of 1992 and the Cable Communication Policy Act of 1984 (collectively, the "Cable Acts"), both of which amended the Communications Act of 1934 (as amended, the "Communications Act"), established a national policy to guide the development and regulation of cable television systems. The Communications Act was recently amended by the Telecommunications Act of 1996 (the "1996 Telecom Act"). Principal responsibility for implementing the policies of the Cable Acts and the 1996 Telecom Act has been allocated between the FCC and state or local regulatory authorities.

Federal Law and Regulation

The Cable Acts and the FCC's rules implementing such acts generally have increased the administrative and operational expenses of cable television systems and have resulted in additional regulatory oversight by the FCC and local or state franchise authorities. The Cable Acts and the corresponding FCC regulations have established, among other things: (i) rate regulations; (ii) mandatory carriage and retransmission consent requirements that require a cable television system under certain circumstances to carry a local broadcast station or to obtain consent to carry a local or distant broadcast station; (iii) rules for franchise renewals and transfers; and (iv) other requirements covering a variety of operational areas such as equal employment opportunity, technical standards and customer service requirements.

The 1996 Telecom Act deregulates rates for cable programming services tiers ("CPST") commencing in March 1999 and, for certain small cable operators, immediately eliminates rate regulation of CPST, and, in certain limited circumstances, basic services. The FCC is currently developing permanent regulations to implement the rate deregulation provisions of the 1996 Telecom Act. The Company is currently unable to predict the ultimate effect of the Cable Acts or the 1996 Telecom Act on its financial statements.

The FCC and Congress continue to be concerned that rates for regulated programming services are rising at a rate exceeding inflation. It is therefore possible that the FCC will further restrict the ability of cable television operators to implement rate increases and/or Congress will enact legislation which would, for example, delay or suspend the scheduled March 1999 termination of CPST rate regulation.

State and Local Regulation

Cable television systems generally operate pursuant to non-exclusive franchises, permits or licenses granted by a municipality or other state or local governmental entity. The terms and conditions of franchises vary materially from jurisdiction to jurisdiction. A number of states subject cable television systems to the jurisdiction of centralized state governmental agencies. To date, other than Delaware, no state in which the Company currently operates has enacted state level regulation. The Company cannot predict whether any of the states in which it currently operates will engage in such regulation in the future.

(12) DISCLOSURES ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS:

Debt

The fair value of the Company's debt is estimated based on the current rates offered to the Company for debt of the same remaining maturities. The fair value of the senior bank debt and the Seller Note approximates the carrying value.

Interest Rate Exchange Agreements

The fair value of the Swaps is the estimated amount that the Company would receive or pay to terminate the Swaps, taking into account current interest rates and the current creditworthiness of the Swap counterparties. The Company would have paid $410 at December 31, 1997 to terminate the Swaps, inclusive of accrued interest.

(13) SUBSEQUENT EVENTS:

On January 9, 1998, Mediacom California acquired the assets of a cable television system serving approximately 17,200 subscribers in Clearlake, California and surrounding communities (the "Clearlake System") for a purchase price of $21,400. The acquisition of the Clearlake System and related closing costs and adjustments were financed with cash on hand and related borrowings under the Western Credit Facility.

On January 23, 1998, Mediacom Southeast LLC ("Mediacom Southeast"), a directly owned subsidiary of Mediacom, entered into a $225,000 credit agreement (the "Southeast Credit Facility"), providing for a $165,000 reducing revolving credit expiring June 30, 2006 and a $60,000 term loan maturing June 30, 2006.

On January 23, 1998, Mediacom Southeast acquired the assets of cable television systems serving approximately 260,100 subscribers in various regions of the United States (the "Cablevision Systems") for a purchase price of approximately $308,700. The acquisition of the Cablevision Systems and related closing costs and adjustments were financed with: (i) $211,000 of borrowings under the Southeast Credit Facility; (ii) the proceeds of $20,000 aggregate principal amount of term notes (the "Holding Company Notes") issued by Mediacom; and (iii) $94,000 of equity capital contributed to Mediacom by its members.

On April 1, 1998, Mediacom and Mediacom Capital Corporation, a New York corporation wholly-owned by Mediacom, jointly issued $200,000 aggregate principal amount of 8.5% Senior Notes due on April 15, 2008 (the "Offering"). The net proceeds of the Offering at closing were used to repay outstanding bank debt under the Western Credit Facility and the Southeast Credit Facility in the aggregate principal amount of $173,500 and to repay in full the outstanding Holding Company Notes. Interest on the Senior Notes will be payable semi-annually on April 15 and October 15 of each year, commencing on October 15, 1998.

MEDIACOM LLC AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET
(ALL DOLLAR AMOUNTS IN 000'S)

	MARCH 31, 1998 (UNAUDITED)
ASSETS	
Cash and cash equivalents	$ 1,495
Subscriber accounts receivable, net of allowance for doubtful accounts of $373 and $56	4,074
Prepaid expenses and other assets	2,639
Investment in cable television systems:	
Inventory	1,293
Property, plant and equipment, at cost	190,519
Less-accumulated depreciation	(11,397)
Property, plant and equipment, net	179,122
Intangible assets, net	242,482
Total investment in cable television systems	422,897
Other assets, net	13,858
Total assets	$444,963
LIABILITIES AND MEMBERS' EQUITY	
LIABILITIES	
Debt	$314,760
Accounts payable and accrued expenses	20,598
Subscriber advances	614
Management fees payable	525
Total liabilities	336,497
MEMBERS' EQUITY	
Capital contributions	124,990
Accumulated deficit	(16,524)
Total members' equity	108,466
Total liabilities and members' equity	$444,963

See accompanying notes to consolidated financial statements.

MEDIACOM LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
(ALL DOLLAR AMOUNTS IN 000'S)
(UNAUDITED)

	THREE MONTHS ENDED MARCH 31,	
	1998	1997
Revenues	$25,943	$ 2,894
Costs and expenses:		
Service costs	9,822	890
Selling, general and administrative expenses	5,303	434
Management fee expense	1,207	145
Depreciation and amortization	11,229	1,607
Operating income (loss)	(1,618)	(182)
Interest expense, net	5,017	889
Other expenses	3,340	3
Net loss	$(9,975)	$(1,074)

See accompanying notes to consolidated financial statements.

MEDIACOM LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN MEMBERS' EQUITY
(ALL DOLLAR AMOUNTS IN 000'S)

Balance, commencement of operations (March 12, 1996)	$ 5,490
Capital contributions	1,000
Net loss	(1,953)
Balance, December 31, 1996	4,537
Capital contributions	24,500
Net loss	(4,596)
Balance, December 31, 1997	24,441
Capital contributions	94,000
Net loss (unaudited)	(9,975)
Balance, March 31, 1998	$108,466

See accompanying notes to consolidated financial statements.

MEDIACOM LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(ALL DOLLAR AMOUNTS IN 000'S)
(UNAUDITED)

	THREE MONTHS ENDED MARCH 31, 1998	THREE MONTHS ENDED MARCH 31, 1997
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (9,975)	$(1,074)
Adjustments to reconcile net loss to net cash flows from operating activities:		
Depreciation and amortization	11,229	1,607
(Increase) decrease in subscriber accounts receivable	(3,778)	49
(Increase) decrease in prepaid expenses and other assets	(1,281)	(5)
Increase (decrease) in accounts payable and accrued expenses	11,921	(96)
Increase (decrease) in subscriber advances	11	--
Increase (decrease) in management fees payable	420	13
Net cash flows from operating activities	8,547	494
CASH FLOWS USED IN INVESTING ACTIVITIES:		
Capital expenditures	(4,486)	(276)
Acquisitions of cable television systems	(331,059)	--
Other, net	(54)	(137)
Net cash flows used in investing activities	(335,599)	(413)
CASH FLOWS FROM FINANCING ACTIVITIES:		
New borrowings	253,667	362
Repayment of debt	(11,675)	(200)
Capital contributions	94,000	--
Financing costs	(8,472)	--
Net cash flows from financing activities	327,520	162
Net increase in cash and cash equivalents	468	243
CASH AND CASH EQUIVALENTS, beginning of period	1,027	396
CASH AND CASH EQUIVALENTS, end of period	$ 1,495	$ 639
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the period for interest	$ 4,690	$ 800

See accompanying notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 1998
(ALL DOLLAR AMOUNTS IN 000'S)
(UNAUDITED)

(1) STATEMENT OF ACCOUNTING PRESENTATION AND OTHER INFORMATION

Mediacom LLC ("Mediacom" and collectively with its subsidiaries, the "Company"), a New York limited liability company, was formed in July 1995 principally to acquire and operate cable television systems. As of March 31, 1998, the Company had acquired and was operating cable television systems in fourteen states principally Alabama, California, Florida, Kentucky, Missouri and North Carolina (see Note 2).

The Company was initially capitalized in March 1996, with equity contributions of $5,445 from Mediacom's members and $45 from Mediacom Management Corporation ("Mediacom Management"). In June 1996, Mediacom received additional equity contributions of $1,000 from a member. In June and September 1997, Mediacom received additional equity contributions of $19,500 and $5,000, respectively, from its members. In January 1998, in connection with the acquisition of the Cablevision Systems (see Note 2), Mediacom received additional equity contributions of $94,000 from its members.

Mediacom Capital Corporation ("Mediacom Capital"), a New York corporation wholly-owned by Mediacom, was organized in March 1998 for the sole purpose of acting as co-issuer with Mediacom of $200,000 aggregate principal amount of 8.5% Senior Notes due 2008 (the "Senior Notes"), which were issued on April 1, 1998 (see Note 3). Mediacom Capital has nominal assets and does not conduct operations of its own. The Senior Notes are joint and several obligations of Mediacom and Mediacom Capital, although Mediacom received all the net proceeds of the offering of the Senior Notes.

The consolidated financial statements include the accounts of Mediacom and its subsidiaries and have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission. Accordingly, certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted.

The consolidated financial statements as of March 31, 1998 and 1997 are unaudited; however, in the opinion of management, such statements include all adjustments necessary for a fair presentation of the results for the periods presented. The interim financial statements should be read in conjunction with the audited financial statements and notes thereto included in the Company's Consolidated Financial Statements for the fiscal year ended December 31, 1997, which are available upon request of Mediacom at its principal executive office. 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 ended December 31, 1998.

(2) ACQUISITIONS

The Company has completed the undernoted acquisitions (the "Acquired Systems") in 1998 and 1997. Such acquisitions were accounted for as purchases with the acquired assets and liabilities recorded at their fair values. Accordingly, the results of operations of the Acquired Systems have been included with those of the Company since the date of acquisition.

1998

On January 9, 1998, Mediacom California LLC ("Mediacom California"), a directly owned subsidiary of Mediacom, acquired the assets of a cable television system serving approximately 17,200 subscribers in Clearlake, California and surrounding communities (the "Clearlake System") for a purchase price of $21,400. The purchase price, together with approximately $100 of direct acquisition costs, has been preliminarily allocated as follows: approximately $8,600 to property, plant and equipment and approximately $12,900 to intangible assets. During the three months ended March 31, 1998, the Company recorded acquisition reserves related to this acquisition in the amount of approximately $370 and are included in intangible assets and accrued expenses. The acquisition of the Clearlake System was financed with borrowings under the Company's bank credit facilities (see Note 3).

On January 23, 1998, Mediacom Southeast LLC ("Mediacom Southeast"), a directly owned subsidiary of Mediacom, acquired the assets of cable television systems serving approximately 260,100 subscribers in various regions of the United States (the "Cablevision Systems") for a purchase price of approximately $308,700. The purchase price, together with approximately $800 of direct acquisition costs, has been preliminarily allocated as follows: approximately $126,000 to property, plant and equipment and approximately $183,500 to intangible assets. During the three months ended March 31, 1998, the Company recorded acquisition reserves related to this acquisition in the amount of approximately $3,750 and are included in intangible assets and accrued expenses. The acquisition of the Cablevision Systems and related closing costs and adjustments were financed with equity contributions, borrowings under the Company's bank credit facilities, and other bank debt (see Notes 1 and 3).

1997

On June 24, 1997, Mediacom Delaware LLC ("Mediacom Delaware"), a directly owned subsidiary of Mediacom, acquired the assets of a cable television system serving approximately 29,300 subscribers in lower Delaware and southwestern Maryland (the "Lower Delaware System") for a purchase price of $42,900. The purchase price, together with $275 of direct acquisition costs, has been allocated as follows: $21,306 to property, plant and equipment and $21,869 to intangible assets.

On September 19, 1997, Mediacom California acquired the assets of a cable television system serving approximately 9,600 subscribers in Sun City, California (the "Sun City System") for a purchase price of $11,500. The purchase price, together with $167 of direct acquisition costs, has been allocated as follows: $7,150 to property, plant and equipment and $4,517 to intangible assets.

(ALL DOLLAR AMOUNTS IN 000'S)

The Company has reported the operating results of the Acquired Systems from the date of their respective acquisition. Unaudited pro forma operating results of the Company assuming the acquisitions of the Acquired Systems had been consummated on January 1, 1997 are as follows:

	PRO FORMA RESULTS FOR THE THREE MONTHS ENDED MARCH 31,	
	1998	1997
Revenues	$ 31,679	$ 29,239
Operating expenses and costs:		
Service costs	12,033	11,119
Selling, general and administrative expenses	5,988	5,266
Management fee expense	1,465	1,352
Depreciation and amortization	13,557	12,809
Operating loss	(1,364)	(1,307)
Interest expense, net	6,575	6,443
Other expenses	30	40
Net loss	$ (7,969)	$ (7,790)

The pro forma financial information presented above has been prepared for comparative purposes only and does not purport to be indicative of the operating results which actually would have resulted had the acquisitions of the Acquired Systems been consummated on January 1, 1997.

(3) DEBT

As of March 31, 1998, debt consisted of:

	MARCH 31, 1998
Mediacom:	
Holding Company Notes (a)	$ 20,000
8 1/2% Senior Notes (b)	--
Subsidiaries:	
Bank Credit Facilities (c)	291,500
Seller Note (d)	3,260
	$314,760

(a) On January 23, 1998, Mediacom issued two notes (the "Holding Company Notes") to a bank in the aggregate principal amount of $20,000 to finance in part the acquisition of the Cablevision Systems. On April 1, 1998, the Holding Company Notes were repaid in full from the net proceeds of the Offering (as defined below). The Holding Company Notes had an average interest rate of 8.4% at March 31, 1998.

(b) On April 1, 1998, Mediacom and Mediacom Capital jointly issued (the "Offering") $200,000 aggregate principal amount of 8.5% Senior Notes due on April 15, 2008. The Senior Notes are unsecured obligations of the Company, and the indenture agreement for the Senior Notes stipulates, among other things, restrictions on incurrence of indebtedness, distributions, mergers and asset sales and has cross-default provisions related to other debt of the Company. Interest accrues at 8.5% per annum, beginning from the date of issuance and is payable semi-annually on April 15 and October 15 of each year, commencing on October 15, 1998. The Senior Notes may be redeemed at the option of Mediacom, in whole or part, at any time after April 15, 2003, at redemption prices decreasing from 104.25% of their principal amount to 100% in 2006, plus accrued and unpaid interest.

(c) On January 23, 1998, Mediacom Southeast entered into an eight and one half year, $225,000 reducing revolver and term loan agreement (the "Southeast Credit Facility"). On June 24, 1997, Mediacom California, Mediacom Delaware and Mediacom Arizona LLC, a directly owned subsidiary of Mediacom, (collectively, the "Western Group") entered into an eight and one half year, $100,000 reducing revolver and term loan agreement (the "Western Credit Facility" and, together with the Southeast Credit Facility, the "Bank Credit Facilities"). At March 31, 1998, the aggregate bank commitments under the Bank Credit Facilities were $324,950. The Bank Credit Facilities are non- recourse to Mediacom and have no cross-default provisions relating directly to each other. The reducing revolving credit lines under the Bank Credit Facilities make available a maximum commitment amount for a period of up to eight and one half years and is subject to quarterly reductions, beginning September 30, 1998, ranging from 0.21% to 12.42% of the original commitment amount of the reducing revolver. The term loans under the Bank Credit Facilities are repaid in consecutive installments beginning September 30, 1998, ranging from 0.42% to 12.92% of the original term loan amount. The Bank Credit Facilities require mandatory reductions of the reducing revolvers and mandatory prepayments of the term loans from excess cash flow, as defined, beginning December 31, 1999. The Bank Credit Facilities provide for interest at varying rates based upon various borrowing options and the attainment of certain financial ratios and for commitment fees of 3/8% to 1/2% per annum on the unused portion of available credit under the reducing revolver credit lines. The effective interest rate at March 31, 1998, for outstanding debt under the Bank Credit Facilities was 8.0% after giving effect to the interest rate swap agreements discussed below.

The Bank Credit Facilities contain covenants on the subsidiaries, including, but not limited to, limitations on mergers and acquisitions, consolidations and sales of certain assets, liens, the incurrence of additional indebtedness and certain restrictive payments, and restrictions on certain transactions with affiliates, and require the maintenance of certain financial ratios, such as, the leverage ratio, the interest coverage ratio, the fixed charge coverage ratio and the pro forma debt service coverage ratio. The Company is in compliance with all financial ratios as of March 31, 1998.

The Bank Credit Facilities are secured by Mediacom's pledge of all its ownership interests in the subsidiaries and a first priority lien on all the tangible and intangible assets of the subsidiaries, other than real property. The indebtedness under the Bank Credit Facilities is guaranteed by Mediacom on a limited recourse basis to the extent of its ownership interests in the subsidiaries. At March 31, 1998, the Company had $33,450 of unused commitments under the Bank Credit Facilities, of which approximately $10,600 could have been borrowed by the subsidiaries for purposes of distributing such borrowed proceeds to Mediacom under the most restrictive covenants of the Bank Credit Facilities. As of the same date, after giving pro forma effect to the Offering and the use of net proceeds therefrom, the Company would have had $206,950 of unused commitments under the Bank Credit Facilities, of which approximately $184,000 could have been borrowed by the subsidiaries for purposes of distributing such borrowed proceeds to Mediacom under the most restrictive covenants of the Bank Credit Facilities.

(ALL DOLLAR AMOUNTS IN 000'S)

The stated maturities of all debt outstanding under the Bank Credit Facilities as of March 31, 1998 are as follows:

1998	$ 250
1999	2,000
2000	4,350
2001	14,800
2002	19,100
Thereafter	251,000
	$291,500

The Western Group has entered into interest rate exchange agreements (the "Swaps") with various banks pursuant to which the interest rate on $62,000 is fixed at a weighted average swap rate of 6.19%, plus the average applicable margin over the Eurodollar Rate option under the Bank Credit Facilities. Under the terms of the Swaps, which expire from 1998 through 2002, the Company is exposed to credit loss in the event of nonperformance by the other parties to the Swaps. However, the Company does not anticipate nonperformance by the counterparties.

(d) Seller Note

In connection with the acquisition of a cable television system in 1996, the Western Group issued to the seller an unsecured senior subordinated note (the "Seller Note") in the amount of $2,800, with a final maturity of June 28, 2006. Interest is deferred throughout the term of the Seller Note and is payable at maturity or upon prepayment. For the five-year period ending June 28, 2001, the annual interest rate is 9.0%. After the initial five-year period, the annual interest rate increases to 15.0%, with an interest clawback for the first five years. After the initial seven-year period, the interest rate increases to 18.0%, with an interest clawback for the first seven years. There are no penalties associated with prepayment of this note.

The Seller Note agreement contains a debt incurrence covenant limiting the ability of the Western Group to incur additional indebtedness. The Seller Note is subordinated and junior in right of payment to all senior obligations of the Western Group, as defined in the Western Credit Facility.

(4) COMMITMENTS AND CONTINGENCIES

On August 29, 1997, a bank issued a $15,000 irrevocable letter of credit on behalf of Mediacom in favor of the sellers of the Cablevision Systems to secure Mediacom's performance under the asset purchase agreement for the Cablevision Systems. Such letter of credit was terminated upon the consummation of the purchase of the Cablevision Systems on January 23, 1998 (see Note 2).

Pursuant to the Cable Television Consumer and Competition Act of 1992, the Federal Communications Commission ("FCC") has adopted comprehensive regulations governing rates charged to subscribers for basic cable and cable programming services. These rates must be set using a benchmark formula. Alternatively, a cable operator can attempt to establish higher rates through a cost-of-service showing. The FCC has also adopted regulations that permit qualifying small cable operators to justify their regulated rates using a simplified cost-of-service formula. The Company qualifies as a small cable operator and approximately 82% of its basic subscribers are governed by such rules. Once rates for basic cable and cable programming services have been established pursuant to one of these methodologies, the rate level can subsequently be adjusted only to reflect changes in the number of regulated channels, inflation, and increases in certain external costs, such as franchise and other governmental fees, copyright and retransmission consent fees, taxes, programming costs and franchise- related obligations. FCC regulations also govern the rates which can be charged for the lease of customer premises equipment and for installation services.

As a result of such legislation and FCC regulations, the Company's basic service and cable programming service rates and its equipment and installation charges (the "Regulated Services") are subject to the jurisdiction of local franchising authorities and the FCC. The Company believes that it has complied in all material respects with the rate regulation provisions of the federal law. However, the Company's rates for Regulated Services are subject to review by the FCC if a complaint has been filed, or by the appropriate franchise authority if it is certified by the FCC to regulate basic rates. If, as a result of the review process, the Company cannot substantiate the rates charged by its cable television systems for Regulated Services, the Company could be required to reduce its rates for Regulated Services to the appropriate level and refund the excess portion of rates received for up to one year prior to the implementation.

The Company's agreements with franchise authorities require the payment of fees of up to 5% of annual system revenues. Such franchises are generally nonexclusive and are granted by local governmental authorities for a specified term of years, generally for periods of up to fifteen years.

(5) SUBSEQUENT EVENT

On April 1, 1998, Mediacom and Mediacom Capital jointly issued $200,000 aggregate principal amount of 8.5% Senior Notes due on April 15, 2008 (see Note 3). The net proceeds of the Offering were used at closing to repay outstanding bank debt under the reducing revolvers of the Bank Credit Facilities in the aggregate principal amount of $173,500 and to repay in full the outstanding Holding Company Notes. Interest on the Senior Notes will be payable semi-annually on April 15 and October 15 of each year, commencing on October 15, 1998.

INDEPENDENT AUDITORS' REPORT

The Board of Directors U.S. Cable Television Group, L.P.

We have audited the accompanying consolidated balance sheets of U.S. Cable Television Group, L.P. and subsidiaries (a wholly-owned subsidiary of Cablevision Systems Corporation) as of December 31, 1997 and 1996, and the related consolidated statements of operations and partners' capital (deficiency) and cash flows for the year ended December 31, 1997, and for the periods from January 1, 1996 to August 12, 1996, and August 13, 1996 to December 31, 1996. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of U.S. Cable Television Group, L.P. and subsidiaries as of December 31, 1997 and 1996, and the results of their operations and their cash flows for the year ended December 31, 1997, and the periods from January 1, 1996 to August 12, 1996, and August 13, 1996 to December 31, 1996, in conformity with generally accepted accounting principles.

As discussed in note 1 to the consolidated financial statements, effective August 13, 1996, U.S. Cable Television Group L.P. redeemed certain limited and general partnership interests in a business combination accounted for as a purchase. As a result of the redemption, the consolidated financial information for the period after the redemption is presented on a different cost basis than that for the period before the redemption and therefore, is not comparable.

KPMG Peat Marwick LLP

March 20, 1998
Jericho, New York

U.S. CABLE TELEVISION GROUP, L.P.
AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 1997 AND 1996
(DOLLARS IN THOUSANDS)

	1997	1996
ASSETS		
Cash and cash equivalents	$ 281	$ 49
Accounts receivable-subscribers (less allowance for doubtful accounts of $218 and $122)	1,082	995
Other receivables	502	383
Prepaid expenses and other assets	632	477
Property, plant and equipment, net	84,363	93,543
Excess costs over fair value of net assets acquired (less accumulated amortization of $29,158 and $7,952)	119,363	140,487
Deferred financing costs (less accumulated amortization of $1,062 and $292)	1,771	1,997
	$207,994	$237,931
LIABILITIES AND PARTNER'S CAPITAL		
Accounts payable	$ 11,605	$ 10,246
Accrued expenses:		
Franchise fees	1,087	1,089
Payroll and related benefits	4,463	4,728
Interest	879	947
Other	7,174	3,688
Accounts payable-affiliates	1,367	500
Bank debt	154,960	159,460
Total liabilities	181,535	180,658
Partners' capital	26,459	57,273
	$207,994	$237,931

See accompanying notes to consolidated financial statements.

U.S. CABLE TELEVISION GROUP, L.P.
AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS AND
PARTNERS' CAPITAL/(DEFICIENCY)
(DOLLARS IN THOUSANDS)

	YEAR ENDED DECEMBER 31, 1997	PERIOD FROM AUGUST 13, 1996 TO DECEMBER 31, 1996	PERIOD FROM JANUARY 1, 1996 TO AUGUST 12, 1996
Revenues	$ 89,016	$ 32,144	$ 49,685
Operating expenses:			
Technical expenses	38,513	15,111	23,467
Selling, general and administrative expenses	22,099	6,677	11,021
Depreciation and amortization	46,116	17,842	21,034
Operating loss	(17,712)	(7,486)	(5,837)
Other (expense) income:			
Interest expense	(12,727)	(5,136)	(10,922)
Interest income	25	14	33
Other, net	(400)	(119)	(69)
Net loss	(30,814)	(12,727)	(16,795)
Partners' capital (deficiency):			
Beginning of period	57,273	--	(92,795)
Capital contribution	--	70,000	--
End of period	$ 26,459	$ 57,273	$(109,590)

See accompanying notes to consolidated financial statements.

U.S. CABLE TELEVISION GROUP, L.P.
AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(DOLLARS IN THOUSANDS)

	YEAR ENDED DECEMBER 31, 1997	PERIOD FROM AUGUST 13, 1996 TO DECEMBER 31, 1996	PERIOD FROM JANUARY 1, 1996 TO AUGUST 12, 1996
Cash flows from operating activities			
Net loss	$ (30,814)	$ (12,727)	$ (16,795)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation and amortization	46,116	17,842	21,034
Amortization of deferred financing costs	770	292	477
(Gain) loss on disposal of equipment	(116)	43	39
Changes in assets and liabilities, net of effects of acquisition:			
Accounts receivable, net	(87)	634	(625)
Other receivables	(119)	94	(129)
Prepaid expenses and other assets	(155)	131	(204)
Accounts payable and accrued expenses	4,510	265	(2,318)
Accounts payable to affiliates	867	(576)	1,029
Net cash provided by operating activities	20,972	5,998	2,508
Cash flows from investing activities:			
Capital expenditures	(15,769)	(5,317)	(11,995)
Proceeds from sale of equipment	155	53	48
Net cash used in investing activities	(15,614)	(5,264)	(11,947)
Cash flows from financing activities:			
Advance from V Cable	--	--	70,000
Cash paid for redemption of partners' interests	--	(4,010)	--
Additions to excess costs	(82)	(98)	--
Additions to deferred financing costs	(544)	(2,289)	
Proceeds from bank debt	10,300	159,810	--
Repayment of bank debt	(14,800)	(350)	--
Repayment of senior debt	--	(153,538)	(60,807)
Net cash (used in) provided by financing activities	(5,126)	(475)	9,193
Net increase (decrease) in cash and cash equivalents	232	259	(246)
Cash and cash equivalents at beginning of period	49	(210)	36
Cash and cash equivalents at end of period	$ 281	$ 49	$ (210)

See accompanying notes to consolidated financial statements.

(DOLLARS IN THOUSANDS)

NOTE 1. THE COMPANY

U.S. Cable Television Group, L.P. (the "Company") was formed for the purpose of acquiring, owning and operating cable television systems, which are generally operated pursuant to non-exclusive franchises awarded by states or local government authorities for specified periods of time. The Company currently operates cable television systems serving portions of the southeastern and midwestern United States. The Company's revenues are derived principally from the provision of cable television services, which include recurring monthly fees paid by subscribers.

Prior to the Redemption discussed in the next paragraph, the partnership consisted of V Cable, Inc. ("V Cable"), a wholly-owned subsidiary of Cablevision Systems Corporation ("CSC"), with an indirect 1% general partnership interest and a 19% limited partnership interest, General Electric Capital Corporation ("GECC"), with a 72% limited partnership interest and various individuals and entities owning the remaining 8% partnership interest, as general and/or limited partners (the "Predecessor Company"). Profits and losses were allocated in accordance with the Amended and Restated Agreement of Limited Partnership.

On March 18, 1996, V Cable advanced $70 million to the Company which was considered a capital contribution coincident with the Redemption. On August 13, 1996, the Company redeemed the partnership interests not already owned by V Cable ("the Redemption") for a payment of approximately $4 million to the holders of 8% of the partnership interests and the repayment of the balance of the debt owed to General Electric Capital Corporation ("GECC") of approximately $154 million. The payment of $4 million and repayment of the GECC debt was financed under a new $175 million credit facility (Note 4) . As a result of the Redemption, which was accounted for as a purchase, the consolidated financial information for the periods after the Redemption is presented on a different cost basis than that for the period before the Redemption and, therefore, is not comparable due to the change in ownership.

Subsequent to the Redemption, V Cable, through wholly-owned subsidiaries, holds an indirect 1% general partnership interest and a direct 99% limited partnership interest (the "Successor Company"). The partnership will terminate December 1, 2030, unless earlier termination occurs as provided in the Amended and Restated Agreement of Limited Partnership.

As a result of the capital contribution of $70,000 (discussed above), the $4,010 Redemption price and $98 of miscellaneous transaction costs, the Successor Company effectively paid $74,108 to acquire net liabilities of $74,331, which resulted in excess costs over fair value of $148,439, as follows:

Purchase price and transaction costs	$ 74,108
Net liabilities acquired:	
Cash, receivables and prepaids	2,504
Property, plant and equipment	98,212
Accounts payables and accrued expenses	(20,433)
Accounts payable-affiliate	(1,076)
Senior debt	(153,538)
	(74,331)
Excess costs over fair value of net liabilities acquired	$ 148,439

(DOLLARS IN THOUSANDS)

For purposes of the consolidated financial statements for the year ended December 31, 1997, and for the period from August 13, 1996 to December 31, 1996, this excess cost is being amortized over a 7 year period.

On August 29, 1997, the Company and CSC entered into an agreement with Mediacom LLC ("Mediacom") to sell to Mediacom substantially all of the assets and cable systems owned by the Company. The transaction was consummated on January 23, 1998, for a sales price of approximately $311 million (the "Mediacom Sale").

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany transactions and balances have been eliminated in consolidation.

Revenue Recognition

The Company recognizes revenues as cable television services are provided to subscribers.

Long-Lived Assets

Property, plant and equipment, including construction materials, are recorded at cost, which includes all direct costs and certain indirect costs associated with the construction of cable television transmission and distribution systems and the costs of new subscriber installations. Property, plant and equipment are being depreciated over their estimated useful lives using the straight-line method. Leasehold improvements are amortized over the shorter of their useful lives or the terms of the related leases.

With respect to the Predecessor Company, franchise costs were amortized on the straight-line basis over the average term of the franchises (approximately 4-12 years) and excess costs over fair value of net assets acquired were amortized over a 15 year period on the straight-line basis. As mentioned in note 1, the Successor Company is amortizing excess costs over fair value of net assets acquired over 7 years.

The Company implemented the provisions of Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of," effective January 1, 1996. The Company reviews its long-lived assets (property, plant and equipment, and related intangible assets that arose from business combinations accounted for under the purchase method) for impairment whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. If the sum of the expected cash flows, undiscounted and without interest, is less than the carrying amount of the asset, an impairment loss is recognized as the amount by which the carrying amount of the asset exceeds its fair value. The adoption of Statement No. 121 had no impact on the Company's financial position or results of operations.

Deferred Financing Costs

Costs incurred to obtain debt are deferred and amortized on the straight-line basis over the term of the related debt.

(DOLLARS IN THOUSANDS)

Income Taxes

The Company operates as a limited partnership; accordingly, its taxable income or loss is includable in the tax returns of the partners, and therefore, no provision for income taxes has been made on the books of the Company. ECC Holding Corporation ("ECC"), one of the Company's subsidiaries, is a corporate entity and as such is subject to federal and state income taxes. Income tax amounts in these consolidated financial statements pertain to ECC.

ECC accounts for income taxes under the provisions of Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes", which requires the liability method of accounting for deferred income taxes and permits the recognition of deferred tax assets, subject to an ongoing assessment of realizability.

Cash Flows

For purposes of the statement of cash flows, the Company considers short-term investments with a maturity at date of purchase of three months or less to be cash equivalents. The Company paid cash interest of approximately $12,026 for the year ended December 31, 1997, $13,610 for the period from January 1, 1996 to August 12, 1996, and $4,189 for the period from August 13, 1996 to December 31, 1996, respectively.

Use of Estimates in Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 3. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment and estimated useful lives at December 31, 1997 and 1996, are as follows:

	1997	1996	ESTIMATED USEFUL LIVES
Cable television transmission and distribution systems:			
Customer equipment	$ 5,175	$ 6,810	5 years
Headends	7,539	6,338	9 years
Infrastructure	94,920	81,502	10 years
Program, service and test equipment	2,824	2,141	4--7 years
Microwave equipment	95	78	4--7 years
Construction in progress (including materials and supplies)	699	521	
	111,252	97,390	
Furniture and fixtures	722	591	5 years
Transportation	3,782	2,886	4 years
Land and land improvements	863	1,074	30 years
Leasehold improvements	1,612	1,305	Term of Lease
	118,231	103,246	
Less accumulated depreciation	(33,868)	(9,703)	
	$ 84,363	$ 93,543	

(DOLLARS IN THOUSANDS)

NOTE 4. DEBT

Bank Debt

In August 1996, the Successor Company repaid the balance of the debt owed to GECC of approximately $154,000. The repayment of the GECC debt was financed under a new $175,000 credit facility. The credit facility is with a group of banks led by the Bank of New York, as agent, and consists of a three year $175,000 revolving credit facility maturing on August 13, 1999. The revolving credit facility is payable in full upon maturity. As of December 31, 1997 and 1996, the Company had outstanding borrowings under its revolving credit facility of $154,960 and $159,460, inclusive of overdraft amounts of $1,900 and $0, respectively, leaving unrestricted and undrawn funds available amounting to $21,940 and $15,540. Amounts outstanding under the facility bear interest at varying rates based upon the bank's LIBOR rate, as defined in the loan agreement. The weighted average interest rate was 7.1% and 7.6% on December 31, 1997 and 1996, respectively. The Company is also obligated to pay fees of .375% per annum on the unused loan commitment. Substantially all of the general and limited partnership interests in the Company have been pledged in support of the borrowings under the credit agreement. The credit facility contains various restrictive covenants, with which the Company was in compliance at December 31, 1997.

In January 1998, all amounts outstanding under the bank debt were repaid from the proceeds from the Mediacom Sale.

Junior Subordinated Note

In August 1996, the Predecessor Company's Junior Term Loan and related accrued interest was forgiven by GECC in the amount of $35,560.

NOTE 5. INCOME TAXES

ECC has a net operating loss carryforward for federal income tax purposes of approximately $65,500 expiring in varying amounts through 2012.

The tax effects of temporary differences which give rise to significant deferred tax assets or liabilities and the corresponding valuation allowance at December 31, 1997 and 1996, are as follows:

DEFERRED ASSETS	1997	1996
Depreciation and amortization	$ 7,132	$ 7,132
Allowance for doubtful accounts	51	51
Benefits of tax loss carry forward	27,510	26,166
Net deferred tax assets	34,693	33,349
Valuation allowance	(34,693)	(33,349)
	--	--

ECC has provided a valuation allowance for the total amount of the net deferred tax assets since realization of these assets is not assured.

NOTE 6. OPERATING LEASES

The Company leases certain office and transmission facilities under terms of operating leases expiring at various dates through 2008. The leases generally provide for fixed annual rental payments plus real estate taxes and certain other costs. Rent expense for the year ended December 31, 1997, and the periods from January 1, 1996 to August 12, 1996, and from August 13, 1996 to December 31, 1996, amounted to approximately $778, $505, and $303, respectively.

The Company rents space on utility poles for its operations. Pole rental expense for the year ended December 31, 1997, and for the periods from January 1, 1996 to August 12, 1996, and from August 13, 1996 to December 31, 1996, amounted to approximately $1,440, $912, and $547, respectively.

In connection with the Mediacom sale, the Company was relieved of all of its future obligations under its operating leases.

NOTE 7. RELATED PARTY TRANSACTIONS

CSC has interests in several entities engaged in providing cable television programming and other services to the cable television industry. During the year ended December 31, 1997 and for the periods from January 1, 1996 to August 12, 1996, and from August 13, 1996 to December 31, 1996, the Company was charged approximately $742, $510 and $268, respectively, by these entities for such services. At December 31, 1997 and 1996, the Company owed approximately $65 and $60, respectively, to these companies for such programming services which is included in accounts payable-affiliates in the accompanying consolidated balance sheet.

CSC provides the Company with general and administrative services. For the year ended December 31, 1997 and for the periods from January 1, 1996 to August 12, 1996, and from August 13, 1996 to December 31, 1996, these charges totaled approximately $3,059, $2,274 and $1,712, respectively. Amounts owed to CSC at December 31, 1997 and 1996, for such expenses were approximately $1,109 and $408, respectively, and is included in accounts payable-affiliates in the accompanying consolidated balance sheet.

NOTE 8. BENEFIT PLAN

During 1989, the Company adopted a 401 (k) savings plan (the "Plan"). Employee participation is voluntary. Under the provisions of the Plan, employees may defer up to 15% of their annual compensation (as defined). The Company currently contributes 50% of the contributions made by participating employees subject to a limit of 6% of the employee's compensation. The Company may make additional contributions at its discretion. For the year ended December 31, 1997, and for the periods from January 1, 1996 to August 12, 1996, and from August 13, 1996 to December 31, 1996, expense relating to this Plan amounted to $165, $189 and $138, respectively.

The Company does not provide postretirement benefits for any of its employees.

NOTE 9. DISCLOSURES ABOUT THE FAIR VALUE OF FINANCIAL INSTRUMENTS

Cash and Cash Equivalents, Accounts Receivable-Subscribers, Other Receivables, Accounts Payable, Accrued Expenses, and Accounts Payable-Affiliates

Carrying amounts approximate fair value due to the short maturity of these instruments.

Bank Debt

The carrying amounts of the Company's long term debt instruments approximate fair value as the underlying variable interest rates are adjusted for market rate fluctuations.

INDEPENDENT AUDITORS' REPORT

The Board of Directors
U.S. Cable Television Group, L.P.

We have audited the accompanying consolidated balance sheets of U.S. Cable Television Group, L.P. and subsidiaries as of December 31, 1996 and 1995, and the related consolidated statements of operations and partners' capital (deficiency) and cash flows for the periods from January 1, 1996 to August 12, 1996 and August 13, 1996 to December 31, 1996, and for each of the years in the two year period ended December 31, 1995. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of U.S. Cable Television Group, L.P. and subsidiaries as of December 31, 1996 and 1995, and the results of their operations and their cash flows for the periods from January 1, 1996 to August 12, 1996 and August 13, 1996 to December 31, 1996, and for each of the years in the two year period ended December 31, 1995 in conformity with generally accepted accounting principles.

As discussed in note 1 to the consolidated financial statements, effective August 13, 1996, U.S. Cable Television Group L.P. redeemed certain limited and general partnership interests in a business combination accounted for as a purchase. As a result of the redemption, the consolidated financial information for the period after the redemption is presented on a different cost basis than that for the period before the redemption, and therefore, is not comparable.

KPMG Peat Marwick LLP

April 1, 1997, except as to Note 11,
which is as of January 23, 1998

U.S. CABLE TELEVISION GROUP, L.P.
AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 1996 AND 1995
(DOLLARS IN THOUSANDS)

	1996	1995
ASSETS		
Cash and cash equivalents	$ 49	$ 36
Accounts receivable--subscribers (less allowance for doubtful accounts of $122 and $202)	995	1,004
Other receivables	383	348
Accounts receivable from affiliates	--	75
Prepaid expenses and other assets	477	404
Property, plant and equipment, net	93,543	101,439
Deferred franchise costs (less accumulated amortization of $92,787)	--	13,738
Excess cost over fair value of net assets acquired (less accumulated amortization of $7,952 and $22,272)	140,487	61,197
Deferred financing and other costs (less accumulated amortization of $292 and $4,452)	1,997	1,620
	$237,931	$179,861
LIABILITIES AND PARTNERS' CAPITAL (DEFICIENCY)		
Accounts payable	$ 10,246	$ 4,170
Accrued expenses:		
Franchise fees	1,089	995
Payroll and related benefits	4,728	3,796
Programming costs	--	7,216
Interest	947	--
Other	3,688	7,442
Accounts payable to affiliates	500	--
Bank debt	159,460	--
Senior debt	--	214,392
Junior subordinated note	--	34,645
Total liabilities	180,658	272,656
Partners' capital (deficiency)	57,273	(92,795)
	$237,931	$179,861

See accompanying notes to consolidated financial statements.

U.S. CABLE TELEVISION GROUP, L.P.
AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS AND
PARTNERS' CAPITAL (DEFICIENCY)
(SEE NOTE 1)
(DOLLARS IN THOUSANDS)

	PERIOD FROM AUGUST 13, 1996 TO DECEMBER 31, 1996	PERIOD FROM JANUARY 1, 1996 TO AUGUST 12, 1996	YEAR ENDED DECEMBER 31, 1995	YEAR ENDED DECEMBER 31, 1994
Revenue	$ 32,144	$ 49,685	$ 76,568	$ 71,960
Operating expenses:				
Technical expenses	15,111	23,467	34,895	29,674
Selling, general and administrative expenses	6,677	11,021	19,875	20,776
Depreciation and amortization	17,842	21,034	36,329	41,861
Operating loss	(7,486)	(5,837)	(14,531)	(20,351)
Other (expense) income:				
Interest expense	(5,136)	(10,922)	(26,157)	(24,195)
Interest income	14	33	70	236
Other, net	(119)	(69)	(241)	(1,280)
Net loss	(12,727)	(16,795)	(40,859)	(45,590)
Partners' capital (deficiency):				
Beginning of period	--	(92,795)	(51,936)	(6,346)
Capital contribution	70,000	--	--	--
End of year	$ 57,273	$(109,590)	$ (92,795)	$ (51,936)

See accompanying notes to consolidated financial statements.

U.S. CABLE TELEVISION GROUP, L.P.
AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(SEE NOTE 1)
(DOLLARS IN THOUSANDS)

	PERIOD FROM AUGUST 13, 1996 TO DECEMBER 31, 1996	PERIOD FROM JANUARY 1, 1996 TO AUGUST 12, 1996	YEAR ENDED DECEMBER 31, 1995	YEAR ENDED DECEMBER 31, 1994
Cash flows from operating activities:				
Net loss.................	$ (12,727)	$(16,795)	$ (40,859)	$ (45,590)
Adjustments to reconcile net loss to net cash provided by operating activities:				
Depreciation and amortization..........	17,842	21,034	36,329	41,861
Amortization of deferred financing costs.................	292	477	746	752
Loss on disposal of equipment.............	43	39	104	192
Interest on senior subordinated debentures............	--	--	10,022	9,038
Interest on junior subordinated debentures............	--	--	3,970	3,516
Changes in assets and liabilities, net of effects of acquisition:				
Accounts receivables, net...................	634	(625)	(546)	(47)
Other receivables......	94	(129)	(225)	(54)
Prepaid expenses and other assets..........	131	(204)	(3)	80
Accounts payable and accrued expenses......	265	(2,318)	3,193	2,995
Accounts payable to affiliates............	(576)	1,029	(744)	575
Net cash provided by operating activities....	5,998	2,508	11,987	13,318
Cash flows used in investing activities:				
Capital expenditures.....	(5,317)	(11,995)	(20,502)	(21,359)
Proceeds from sale of equipment..............	53	48	430	--
Net cash used in investing activities....	(5,264)	(11,947)	(20,072)	(21,359)
Cash flows from financing activities:				
Advance from V Cable.....	--	70,000	--	--
Cash paid for redemption of partners' interests..	(4,010)	--	--	--
Additions to excess costs...................	(98)	--	--	--
Additions to deferred financing costs.........	(2,289)	--	--	--
Proceeds from bank debt..	159,810	--	8,000	--
Repayment of bank debt...	(350)	--	--	--
Repayment of senior debt....................	(153,538)	(60,807)	--	--
Repayment of note payable.................	--	--	--	(35)
Net cash used in financing activities....	(475)	9,193	8,000	(35)
Net increase in cash and cash equivalents..........	259	(246)	(85)	(8,076)
Cash and cash equivalents at beginning of period....	(210)	36	121	8,197
Cash and cash equivalents at end of period..........	$ 49	$ (210)	$ 36	$ 121

See accompanying notes to consolidated financial statements.

(DOLLARS IN THOUSANDS)

NOTE 1. THE COMPANY

U.S. Cable Television Group, L.P. (the "Company") was formed for the purpose of acquiring, owning and operating cable television systems, which are generally operated pursuant to non-exclusive franchises awarded by states or local government authorities for specified periods of time. The Company currently operates cable television systems serving portions of the southeastern and midwestern United States. The Company's revenues are derived principally from the provision of cable television services, which include recurring monthly fees paid by subscribers.

Prior to the Redemption discussed in the next paragraph, the partnership consisted of V Cable, Inc. ("V Cable"), a wholly-owned subsidiary of Cablevision Systems Corporation ("CSC"), with an indirect 1% general partnership interest and a 19% limited partnership interest, General Electric Capital Corporation ("GECC"), with a 72% limited partnership interest and various individuals and entities owning the remaining 8% partnership interest, as general and/or limited partners (the "Predecessor Company"). Profits and losses were allocated in accordance with the Amended and Restated Agreement of Limited Partnership.

On March 18, 1996, V Cable advanced $70 million to the Company which was considered a capital contribution coincident with the Redemption. On August 13, 1996, the Company redeemed the partnership interests not already owned by V Cable ("the Redemption") for a payment of approximately $4 million to the holders of 8% of the partnership interests and the repayment of the balance of the debt owed to General Electric Capital Corporation ("GECC") of approximately $154 million. The payment of $4 million and repayment of the GECC debt was financed under a new $175 million credit facility (Note 4). As a result of the Redemption, which was accounted for as a purchase, the consolidated financial information for the periods after the Redemption is presented on a different cost basis than that for the period before the Redemption and, therefore, is not comparable due to the change in ownership.

Subsequent to the Redemption, V Cable, through wholly-owned subsidiaries, holds an indirect 1% general partnership interest and a direct 99% limited partnership interest (the "Successor Company"). The partnership will terminate December 1, 2030, unless earlier termination occurs as provided in the Amended and Restated Agreement of Limited Partnership.

As a result of the capital contribution of $70,000 (discussed above), the $4,010 Redemption price and $98 of miscellaneous transaction costs, the Successor Company effectively paid $74,108 to acquire net liabilities of $74,331, which resulted in excess costs over fair value of $148,439, as follows:

Purchase price and transaction costs	$ 74,108
Net liabilities acquired:	
Cash, receivables and prepaids	2,504
Property, plant and equipment	98,212
Accounts payables and accrued expenses	(20,433)
Accounts payable--affiliate	(1,076)
Senior debt	(153,538)
	(74,331)
Excess costs over fair value of net liabilities acquired	$148,439

For purposes of the consolidated financial statements for the period from August 13, 1996 to December 31, 1996, this excess cost amount is being amortized over a 7 year period.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany transactions and balances have been eliminated in consolidation.

Revenue Recognition

The Company recognizes revenues as cable television services are provided to subscribers.

Long-Lived Assets

Property, plant and equipment, including construction materials, are recorded at cost, which includes all direct costs and certain indirect costs associated with the construction of cable television transmission and distribution systems and the costs of new subscriber installations. Property, plant and equipment are being depreciated over their estimated useful lives using the straight-line method. Leasehold improvements are amortized over the shorter of their useful lives or the terms of the related leases.

With respect to the Predecessor Company, franchise costs were amortized on the straight-line basis over the average term of the franchises (approximately 4-12 years) and excess costs over fair value of net assets acquired were amortized over a 15 year period on the straight-line basis. As mentioned in note 1, the Successor Company is amortizing excess costs over fair value of net assets acquired over 7 years.

The Company implemented the provisions of Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of," effective January 1, 1996. The Company reviews its long-lived assets (property, plant and equipment, and related intangible assets that arose from business combinations accounted for under the purchase method) for impairment whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. If the sum of the expected cash flows, undiscounted and without interest, is less than the carrying amount of the asset, an impairment loss is recognized as the amount by which the carrying amount of the asset exceeds its fair value. The adoption of Statement No. 121 had no impact on the Company's financial position or results of operations.

Deferred Financing and Other Costs

Costs incurred to obtain debt are deferred and amortized on the straight-line basis over the term of the related debt. Other costs consist of organization costs in 1995 which were amortized over a five year period on the straight line basis.

Income Taxes

The Company operates as a limited partnership; accordingly, its taxable income or loss is includable in the tax returns of the partners, and therefore, no provision for income taxes has been made on the books of the Company. ECC Holdings Corporation ("ECC"), one of the Company's subsidiaries, is a corporate entity and as such is subject to federal and state income taxes. Income tax amounts in these consolidated financial statements pertain to ECC.

(DOLLARS IN THOUSANDS)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ECC accounts for income taxes under the provisions of Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes", which requires the liability method of accounting for deferred income taxes and permits the recognition of deferred tax assets, subject to an ongoing assessment of realizability.

Cash Flows

For purposes of the statement of cash flows, the Company considers short-term investments with a maturity at date of purchase of three months or less to be cash equivalents. The Company paid cash interest of approximately $13,610 for the period from January 1, 1996 to August 12, 1996, $4,189 for the period from August 13, 1996 to December 31, 1996 and $8,761 and $12,900 for the years ended December 31, 1995 and 1994, respectively.

Use of Estimates in Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 3. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment and estimated useful lives at December 31, 1996 and 1995 are as follows:

	1996	1995	ESTIMATED USEFUL LIVES
Cable television transmission and distribution systems:			
Converters	$ 6,810	$ 18,609	5 years
Headends	6,338	27,363	9 years
Distribution systems	81,502	171,570	10 years
Program, service, microwave and test equipment	2,219	4,396	4-7 years
Construction in progress (including materials and supplies)	521	675	
	97,390	222,613	
Furniture and fixtures	591	4,429	5 years
Vehicles	2,886	7,411	4 years
Building and improvements	1,074	2,895	30 years
Leasehold improvements	1,305	--	Term of Lease
Land	--	852	
	103,246	238,200	
Less accumulated depreciation	(9,703)	(136,761)	
	$ 93,543	$101,439	

(DOLLARS IN THOUSANDS)

NOTE 4. DEBT

Bank Debt

As discussed in Note 1, on August 13, 1996, the Successor Company paid GECC approximately $154,000 in exchange for GECC's limited partnership interests in the Company and in satisfaction of the outstanding balance of all indebtedness due GECC. The repayment of the GECC debt was financed under a new $175,000 credit facility. The credit facility is with a group of banks led by the Bank of New York, as agent, and consists of a three year $175,000 revolving credit facility maturing on August 13, 1999. The revolving credit facility is payable in full upon maturity. As of December 31, 1996, the Company has outstanding borrowings under its revolving credit facility of $159,460, leaving unrestricted and undrawn funds available amounting to $15,540. Amounts outstanding under the facility bear interest at varying rates based upon the bank's LIBOR rate, as defined in the loan agreement. The weighted average interest rate was 7.6% on December 31, 1996. The Company is also obligated to pay fees of .375% per annum on the unused loan commitment.

Substantially all of the general and limited partnership interests in the Company have been pledged in support of the borrowings under the credit agreement. The credit facility contains various restrictive covenants, with which the Company was in compliance at December 31, 1996.

Senior Debt and Junior Subordinated Note

At December 31, 1995, the credit agreement between the Predecessor Company and GECC (the "Credit Agreement") was composed of a Senior Loan Agreement and a Junior Loan Agreement. Under the Senior Loan Agreement, GECC had provided a $30,000 revolving line of credit (the "Revolving Line"), a $104,443 term loan (the "Series A Term Loan") with interest payable currently and, a $92,302 term loan (the "Series B Term Loan") with payment of interest deferred until December 31, 2001. Under the Junior Loan Agreement, GECC had provided a $24,039 term loan (the "Junior Term Loan") with payment of interest deferred until December 31, 2001. The senior loan agreement and junior loan agreement are collectively referred to as the "Loan Agreements".

At December 31, 1995, the Predecessor Company's outstanding debt to GECC, which was all due on December 31, 2001, was comprised of the following:

Senior Debt	
Revolving line of credit, with interest at varying rates......	$ 8,000
Series A Term Loan, with interest at 10.12%..................	104,443
Series B Term Loan, with interest at 10.62%..................	101,949
Total Senior Debt..	214,392
Junior Subordinated Note, with interest at 12.55%..............	34,645
Total debt...	$249,037

(DOLLARS IN THOUSANDS)

NOTE 5. INCOME TAXES

ECC has a net operating loss carryforward for federal income tax purposes of approximately $21,708 expiring in varying amounts through 2011.

The tax effects of temporary differences which give rise to significant deferred tax assets or liabilities and the corresponding valuation allowance at December 31, 1996 and 1995 are as follows:

Deferred Assets

	1996	1995
Depreciation and amortization	$ 7,132	$ (9,572)
Allowance for doubtful accounts	51	85
Benefits of tax loss carry forwards	9,117	24,783
Net deferred tax assets	16,300	15,296
Valuation allowance	(16,300)	(15,296)
	$ --	$ --

ECC has provided a valuation allowance for the total amount of the net deferred tax assets since realization of these assets is not assured due principally to a history of operating losses. The amount of the valuation allowance increased by $1,004 during the year ended December 31, 1996.

NOTE 6. OPERATING LEASES

The Company leases certain office and transmission facilities under terms of operating leases expiring at various dates through 2008. The leases generally provide for fixed annual rental payments plus real estate taxes and certain other costs. Rent expense for the periods from January 1, 1996 to August 12, 1996 and from August 13, 1996 to December 31, 1996 amounted to approximately $505 and $303, respectively, and for the years ended December 31, 1995 and 1994 amounted to $705 and $635, respectively.

The Company rents space on utility poles for its operations. The Company's pole rental agreements are for varying terms, and management anticipates renewals as they expire. Pole rental expense for the periods from January 1, 1996 to August 12, 1996 and from August 13, 1996 to December 31, 1996 amounted to approximately $912 and $547, respectively, and for the years ended December 31, 1995 and 1994 amounted to $1,312 and $1,199, respectively.

The minimum future annual rental payments for all operating leases, including pole rentals from January 1, 1997 through December 31, 2008, at rates presently in force at December 31, 1996, are approximately: 1997, $1,902; 1998, $1,764; 1999, $1,735; 2000, $1,657; 2001, $1,599; and thereafter $2,945.

NOTE 7. RELATED PARTY TRANSACTIONS

CSC has interests in several entities engaged in providing cable television programming and other services to the cable television industry. For the periods from January 1, 1996 to August 12, 1996 and

NOTE 7. RELATED PARTY TRANSACTIONS (CONTINUED)

from August 13, 1996 to December 31, 1996, the Company was charged approximately $510 and $268, respectively, and for the years ended December 31, 1995 and 1994 the Company was charged approximately $568 and $407, respectively, by these entities for such services. At December 31, 1996 and 1995, the Company owed approximately $60 and $107 to these companies for such programming services which is included in accounts payable-affiliates in the accompanying consolidated balance sheets.

CSC provides the Company with general and administrative services. For the periods from January 1, 1996 to August 12, 1996 and from August 13, 1996 to December 31, 1996, the Company was charged $2,274 and $1,712, respectively, and for the years ended December 31, 1995 and 1994 these charges totaled approximately $3,530 and $3,300. Amounts owed to CSC at December 31, 1996 and 1995 for such expenses were approximately $408 and $365 and is included in accounts payable-affiliates in the accompanying consolidated balance sheet.

NOTE 8. BENEFIT PLAN

During 1989, the Company adopted a 401K savings plan (the "Plan"). Employee participation is voluntary. Under the provisions of the Plan, employees may defer up to 15% of their annual compensation (as defined). The Company currently contributes 50% of the contributions made by participating employees subject to a contribution cap of 6% of the employee's compensation. The Company may make additional contributions at its discretion. Expense relating to this Plan amounted to $327, $321 and $295 in 1996, 1995 and 1994, respectively.

The Company does not provide postretirement benefits for any of its employees.

NOTE 9. DISCLOSURES ABOUT THE FAIR VALUE OF FINANCIAL INSTRUMENTS

Cash and Cash Equivalents, Accounts Receivable--Subscribers, Other Receivables, Prepaid Expenses and Other Assets, Accounts Payable, Accrued Expenses, and Accounts Payable to Affiliates

The carrying amount approximates fair value due to the short maturity of these instruments.

Bank Debt

The fair value of the company's long term debt instruments approximates its book value since the interest rate is LIBOR-based and accordingly is adjusted for market rate fluctuations.

Senior and Junior Debt

At December 31, 1995, the carrying amount of the Senior and Junior Debt approximated fair value.

(DOLLARS IN THOUSANDS)

NOTE 10. COMMITMENTS

CSC and its cable television affiliates (including the Company) have an affiliation agreement with a program supplier whereby CSC and its cable television affiliates are obligated to make Base Rate Annual Payments, as defined and subject to certain adjustments pursuant to the agreement, through 2004. The Company would be contingently liable for its proportionate share of Base Rate Annual Payments, based on subscriber usage, of approximately; $1,276 in 1997; $1,320 in 1998 and $1,366 in 1999. For the years 2000 through 2004, such payments would increase by percentage increases in the Consumer Price Index, or five percent, whichever is less, over the prior year's Base Annual Payment.

NOTE 11. SUBSEQUENT EVENT

On August 29, 1997, CSC and certain of its wholly-owned subsidiaries entered into an agreement with Mediacom LLC ("Mediacom") to sell to Mediacom cable systems owned by the Company. The transaction was consummated on January 23, 1998 for a sales price of approximately $311 million.

INDEPENDENT AUDITORS' REPORT

The Partners
American Cable TV Investors 5, Ltd.:

We have audited the accompanying combined statements of operations and partnership's investment and cash flows of the Lower Delaware System (as defined in Note 1 to the combined statements of operations and partnership's investment and cash flows) for the period from January 1, 1997 to June 23, 1997 and for the year ended December 31, 1996. These combined financial statements are the responsibility of the Lower Delaware System's management. Our responsibility is to express an opinion on these combined financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the results of operations and the cash flows of the Lower Delaware System for the period from January 1, 1997 to June 23, 1997 and for the year ended December 31, 1996, in conformity with generally accepted accounting principles.

KPMG Peat Marwick LLP
Denver, Colorado
April 30, 1998

LOWER DELAWARE SYSTEM
(DEFINED IN NOTE 1)

COMBINED STATEMENTS OF OPERATIONS AND PARTNERSHIP'S INVESTMENT

	PERIOD FROM JANUARY 1, 1997 TO JUNE 23, 1997	YEAR ENDED DECEMBER 31, 1996
	AMOUNTS IN THOUSANDS	
Revenue	$ 4,303	8,742
Operating costs and expenses:		
Operating (note 4)	1,425	2,712
Selling, general and administrative (note 4)	1,090	2,091
Depreciation	984	2,109
Amortization	1,609	3,328
	5,108	10,240
Operating loss	(805)	(1,498)
Other income (expense), net	17	(6)
Net loss	(788)	(1,504)
Partnership's Investment:		
Beginning of period	21,766	24,855
Change in Partnership's investment	(1,296)	(1,585)
End of period	$19,682	21,766

See accompanying notes to the combined financial statements.

LOWER DELAWARE SYSTEM
(DEFINED IN NOTE 1)

COMBINED STATEMENTS OF CASH FLOWS

	PERIOD FROM JANUARY 1, 1997 TO JUNE 23, 1997	YEAR ENDED DECEMBER 31, 1996
	AMOUNTS IN THOUSANDS	
Cash flows from operating activities:		
Net loss	$ (788)	(1,504)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	2,593	5,437
Other non-cash credits	--	6
Changes in operating assets and liabilities:		
Change in receivables	305	(422)
Change in other assets	37	(24)
Change in accounts payable and other accrued liabilities	175	187
Net cash provided by operating activities	2,322	3,680
Cash flows from investing activities:		
Capital expended for property and equipment	(525)	(2,865)
Other investing activities, net	--	7
Net cash used in investing activities	(525)	(2,858)
Cash flows from financing activities:		
Change in partnership's investment	(1,296)	(1,585)
Net cash used in financing activities	(1,296)	(1,585)
Net change in cash	501	(763)
Cash at beginning of period	538	1,301
Cash at end of period	$1,039	538

See accompanying notes to combined financial statements.

NOTES TO COMBINED STATEMENTS OF OPERATIONS AND PARTNERSHIP'S INVESTMENT AND CASH FLOWS

FOR THE PERIOD FROM JANUARY 1, 1997 TO JUNE 23, 1997
AND THE YEAR ENDED DECEMBER 31, 1996

(1) BASIS OF PRESENTATION

The combined statements of operations and partnership's investment and cash flows include the accounts of two cable television systems wholly-owned by American Cable TV Investors 5, Ltd. (the "Partnership" or "ACT 5") serving subscribers in Maryland and Delaware. Such systems are collectively referred to herein as the "Lower Delaware System." ACT 5's managing agent is TCI Cablevision Associates, Inc., an indirect subsidiary of Tele-Communications, Inc. ("TCI"). All significant inter-entity accounts and transactions have been eliminated in combination.

As described in note 4, certain costs of TCI are charged to the Lower Delaware System. Although such allocations are not necessarily indicative of the costs that would have been incurred by the Lower Delaware System on a stand alone basis, management believes that the resulting allocated amounts are reasonable. In addition, depreciation and amortization expenses are based on historical costs which may not be indicative of future periods.

Sale of Systems

Effective June 24, 1997, ACT 5 sold the Lower Delaware System to Mediacom LLC, an unaffiliated third party for an adjusted cash sales price of $42,191,000.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Property and Equipment

Property and equipment is stated at cost, including acquisition costs allocated to tangible assets acquired. Construction costs, including interest during construction and applicable overhead, are capitalized. During 1997 and 1996, interest capitalized was not significant.

Depreciation is computed on a straight-line basis using estimated useful lives of 3 to 15 years for cable distribution systems and 3 to 40 years for support equipment and buildings.

Repairs and maintenance are charged to operations, and renewals and additions are capitalized. At the time of ordinary retirements, sales or other dispositions of property, the original cost and cost of removal of such property are charged to accumulated depreciation, and salvage, if any, is credited thereto.

Franchise Costs

Franchise costs include the difference between the cost of acquiring cable television systems and amounts assigned to their tangible assets. Such amounts are amortized using the straight-line method over the remaining terms of franchise agreements at the time of acquisition, which terms did not exceed 15 years.

Impairment of Long-Lived Assets

The Lower Delaware System periodically reviews the carrying amounts of property and equipment and its identifiable intangible assets to determine whether current events or circumstances warrant adjustments to such carrying amounts. If an impairment adjustment is deemed necessary, such loss is measured by the amount that the carrying value of such assets exceeds their fair value. Considerable management judgment is necessary to estimate the fair value of assets, accordingly, actual results could vary significantly from such estimates. Assets to be disposed of are carried at the lower of their carrying amount or fair value less costs to sell.

Statements of Cash Flows

Transactions effected through the Partnership's Investment account have been considered constructive cash receipts and payments for purposes of the combined statements of cash flows.

Revenue Recognition

Revenue for customer fees, equipment rental, advertising, pay-per-view programming and revenue sharing agreements is recognized in the period that services are delivered. Installation revenue is recognized in the period the installation services are provided to the extent of direct selling costs. Any remaining amount is deferred and recognized over the estimated average period that subscribers are expected to remain connected to the system.

Estimates

The preparation of the combined financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(3) INCOME TAXES

No provision has been made for income tax expense or benefit in the accompanying combined financial statements as the earnings or losses of ACT 5 are reported in the respective income tax returns of the individual partners.

(4) TRANSACTIONS WITH RELATED PARTIES

The Lower Delaware System incurs amounts due to related parties, which represent non-interest-bearing payables to ACT 5, consisting of the net effect of cash advances and certain intercompany expense allocations.

The Lower Delaware System purchases substantially all of its programming services from affiliates of TCI. The charges, which generally approximate such TCI affiliates' cost and are based upon the number of subscribers served by the system, aggregated $913,000 and $1,701,000 for the period from January 1, 1997 to June 23, 1997 and for the year ended December 31, 1996, respectively, and are included in operating expenses in the accompanying combined statements of operations and Partnership's investment.

Certain subsidiaries of TCI provide administrative services to the Lower Delaware System and have assumed managerial responsibility of the Lower Delaware System's cable television system operations and construction. As compensation for these services, the Lower Delaware System pays a monthly management fee based on total revenue. The Lower Delaware System also reimburses for direct out-of-pocket and indirect expenses allocable to the Lower Delaware System and for certain personnel employed on a full or part-time basis to perform accounting, marketing, technical or other services. Charges for such services were approximately $388,000 and $669,000 for the period from January 1, 1997 to June 23, 1997 and for the year ended December 31, 1996, respectively, and are included in selling, general and administrative expenses in the accompanying combined statements of operations and Partnership's investment.

(5) COMMITMENTS AND CONTINGENCIES

On October 5, 1992, Congress enacted the Cable Television Consumer Protection and Competition Act of 1992 (the "1992 Cable Act"). In 1993 and 1994, the Federal Communications Commission ("FCC") adopted certain rate regulations required by the 1992 Cable Act and imposed a moratorium on certain rate increases. As a result of such actions, the Lower Delaware System's basic and tier service rates and its equipment and installation charges (the "Regulated Services") are subject to the jurisdiction of local franchising authorities and the FCC. Basic and tier service rates are evaluated against competitive benchmark rates as published by the FCC, and equipment and installation charges are based on actual costs. Any rates for Regulated Services that exceeded the benchmarks were reduced as required by the 1993 and 1994 rate regulations. The rate regulations do not apply to the relatively few systems which are subject to "effective competition" or to services offered on an individual service basis, such as premium movie and pay-per-view services.

The Lower Delaware System believes that they have complied in all material respects with the provisions of the 1992 Cable Act, including its rate setting provisions. However, the Lower Delaware System's rates for Regulated Services are subject to review by the FCC, if a complaint has been filed, or by the appropriate franchise authority, if such authority has been certified by the FCC to regulate rates. If, as a result of the review process, a system cannot substantiate its rates, it could be required to retroactively reduce its rates to the appropriate benchmark and refund the excess portion of rates received. Any refunds of the excess portion of tier service rates would be retroactive to the date of complaint. Any refunds of the excess portion of all other Regulated Service rates would be retroactive to one year prior to the implementation of the rate reductions.

The Lower Delaware System leases business offices, has entered into pole rental agreements and uses certain equipment under lease arrangements. Rental expense under these arrangements was $55,000 and $87,000 for the period from January 1, 1997 to June 23, 1997 and the year ended December 31, 1996, respectively.

It is expected that in the normal course of business, leases that expire will be renewed or replaced by leases on other properties; thus, it is anticipated that future minimum lease commitments will not be less than the amount shown in 1997, on an annualized basis.

As of June 23, 1997, management of the Lower Delaware System had not yet assessed the cost associated with its year 2000 readiness efforts to ensure that its computer systems and related software properly recognize the year 2000 and continue to process business information, and the related potential impact on the Lower Delaware System's results of operations. Amounts expended through June 23, 1997 were not material, although there can be no assurance that costs ultimately required to be paid to ensure the Lower Delaware System's year 2000 readiness will not have an adverse effect on the Lower Delaware System's financial position. Additionally, there can be no assurance that the systems of the Lower Delaware System's suppliers will be converted in time or that any such failure to convert by such third parties will not have an adverse effect on the Lower Delaware System's financial position.

INDEPENDENT AUDITOR'S REPORT

February 10, 1997

To the Partners
Saguaro Cable TV Investors Limited Partnership
(A Limited Partnership)
Castle Rock, Colorado

We have audited the accompanying Balance Sheet of Saguaro Cable TV Investors Limited Partnership (A Limited Partnership) as of December 26, 1996, and the related Statements of Operations and Partners' Capital and Cash Flows for the period from January 1, 1996 to December 26, 1996. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Saguaro Cable TV Investors Limited Partnership (A Limited Partnership) as of December 26, 1996, and the results of its operations and its cash flows for the period ended December 26, 1996 in conformity with generally accepted accounting principles.

Gustafson, Crandall & Christensen, Inc.
Certified Public Accountants

SAGUARO CABLE TV INVESTORS LIMITED PARTNERSHIP
(A LIMITED PARTNERSHIP)

BALANCE SHEET

DECEMBER 26, 1996

ASSETS	
Cash	$ 684,743
Accounts receivable, net of allowance for doubtful account of $3,710 (Note E)	81,092
Inventory	62,636
Prepaid expenses	15,569
Property and equipment (Notes B and E)	1,728,642
Other assets (Notes C and E)	3,968,407
Total Assets	$6,541,089
LIABILITIES AND PARTNERS' CAPITAL	
Liabilities:	
Accounts payable	$ 76,647
Accrued expenses	394,679
Due to management firm (Note D)	23,154
Subscriber deposits	82,551
Notes payable (Note E)	5,312,500
Total Liabilities	5,889,531
Partners' capital (Note F)	651,558
Total Liabilities and Partners' Capital	$6,541,089

See notes to financial statements.

SAGUARO CABLE TV INVESTORS LIMITED PARTNERSHIP
(A LIMITED PARTNERSHIP)

STATEMENT OF OPERATIONS
AND PARTNERS' CAPITAL

PERIOD FROM JANUARY 1, 1996 TO DECEMBER 26, 1996

Operating revenues	$2,935,512
Cost of services sold	704,250
Gross profit	2,231,262
General and administrative expenses	740,605
Net operating profit	1,490,657
Other expenses:	
Depreciation and amortization	951,968
Interest	525,105
Other expenses (Note D)	149,764
	1,626,837
Net [loss]	[136,180]
Partners' capital -- Beginning of period	787,738
Partners' capital -- End of period	$ 651,558

See noted to financial statements.

SAGUARO CABLE TV INVESTORS LIMITED PARTNERSHIP
(A LIMITED PARTNERSHIP)

STATEMENT OF CASH FLOWS

PERIOD FROM JANUARY 1, 1996 TO DECEMBER 26, 1996

CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	$ 2,906,666
Cash paid to suppliers and employees	[1,568,362]
Interest received	14,105
Interest paid	[440,544]
Net cash provided by operating activities	911,865
CASH FLOWS FROM INVESTING ACTIVITIES:	
Maturity of investments	650,000
Purchase of investments	[500,000]
Purchase of property and equipment	[301,105]
Net cash [used by] investing activities	[151,105]
CASH FLOWS FROM FINANCING ACTIVITIES--	
Payment of notes payable	[450,000]
NET INCREASE IN CASH	310,760
CASH -- Beginning of period	373,983
CASH -- End of period	$ 684,743

See notes to financial statements.

SAGUARO CABLE TV INVESTORS LIMITED PARTNERSHIP
(A LIMITED PARTNERSHIP)

STATEMENT OF CASH FLOWS

PERIOD FROM JANUARY 1, 1996 TO DECEMBER 26, 1996

RECONCILIATION OF NET [LOSS] TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Net [loss]	$ [136,180]
Adjustments to reconcile net [loss] to net cash provided by operating activities:	
Depreciation	607,920
Amortization	344,048
Increase in accrued expenses	134,891
Decrease in prepaid expenses	30,022
Increase in accounts payable	28,774
[Decrease] in due to management firm	[1,339]
[Decrease] in subscriber deposits	[2,081]
[Increase] in accounts receivable	[3,881]
[Increase] in other assets	[90,309]
Total adjustments	1,048,045
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 911,865

See notes to financial statements.

SAGUARO CABLE TV INVESTORS LIMITED PARTNERSHIP
(A LIMITED PARTNERSHIP)

NOTES TO FINANCIAL STATEMENTS

PERIOD FROM JANUARY 1, 1996 TO DECEMBER 26, 1996

A. SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES:

(1) Organization:

Saguaro Cable TV Investors Limited Partnership (A Limited Partnership) (the Company) was formed in the State of Colorado on May 26, 1989. The purpose of the Company is to own and operate cable television systems. The Company currently operates cable television systems in Ajo, Nogales and Rio Rico, Arizona. The Company sold its asset on December 27, 1996 for $11,535,000.

(2) Revenue Recognition:

Subscriber service fees are recognized as service is provided. Credit risk is managed by disconnecting service to cable customers who are delinquent.

(3) Property and Equipment:

Property and equipment is recorded at cost plus related acquisition costs. Depreciation is recorded using the straight-line method over the estimated useful lives as follows:

Cable plant	7 years
Headend	7-10 years
Drops	7 years
Tools, vehicles and equipment	5-7 years
Buildings	7-40 years
Converters	5 years

Expenditures for maintenance and repairs are charged to expense as incurred, whereas, expenditures which appreciably extend the useful life of the asset are added to the cost of the asset.

(4) Amortization:

The franchise rights include the difference between the cost of acquiring cable television systems and amounts allocated to their tangible assets. Such amounts are amortized on a straight-line basis over 40 years.

The covenant not to compete is amortized by the straight-line method over its contractual life of five years.

Acquisition costs and loan fees and related costs are amortized by the straight-line method over 5 to 40 years.

The cost of the subscriber lists and records is being amortized by the straight-line method over the estimated useful life of five years.

Organizational expenses are stated at cost and are being amortized by the straight-line method over five years.

(5) The Company periodically reviews the carrying amount of its long-lived assets to determine whether current events or circumstances warrant adjustment to such carrying amounts. Measurement of any impairment would include a comparison of estimated future operating cash flow anticipated to be generated during the remaining life of the assets with their carrying value. An impairment loss would be recognized as the amount by which the carrying value of the assets exceed their fair value.

(6) Interest:

The Company incurred interest costs of $525,105 in 1996. None of the interest costs were capitalized as a part of property and equipment.

(7) Income Taxes:

No provision has been made for Federal and state income taxes on the earnings or losses of the partnership because these taxes are the personal responsibility of the partners.

(8) Consideration of Credit Risk:

The Company maintains its cash in bank deposit accounts at high credit quality financial institutions. The balances, at times, may exceed federally insured limits. At December 26, 1996 the Company exceeded the insured limit by approximately $553,071.

(9) Use of Estimates:

The preparation of financial statements in accordance with generally accepted account principles requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates.

B. PROPERTY AND EQUIPMENT:

The property and equipment consist of the following:

Cable plant	$ 2,834,535
Headend	796,373
Drops	637,969
Tools, vehicles and equipment	314,392
Land and buildings	238,376
Converters	175,607
	4,997,252
[Less] accumulated depreciation	[3,268,610]
	$ 1,728,642

C. OTHER ASSETS:

The other assets consist of the following:

Franchise rights	$ 4,317,144
Covenant not to compete	1,000,000
Acquisition costs and loan fees	579,910
Subscriber lists and records	517,000
Deferred costs	55,309
Organizational expenses	7,534
	6,476,897
[Less] accumulated amortization	[2,508,490]
	$ 3,968,407

D RELATED PARTY TRANSACTIONS:

The Company has entered into a management agreement with Arizona and Southwest Cable, Inc., the Company's general partner. The agreement calls for the overall general management of the cable operations. A management fee of 5% of the gross operating revenues, plus reasonable out-of-pocket expenses, is to be paid to the management firm.

A total of $146,520 in 1996 of management fees is included in the Statements of Operations and Partners' Capital.

The amount due the management firm at December 26, 1996 represents unpaid management fees, costs and advances.

E. NOTES PAYABLE:

The Company has drawn $3,812,500 at December 26, 1996 against a $6,400,000 line of credit from a bank.

Principal and interest payments are due in varying amounts from through December 27, 1996 when the remaining balance was paid. Interest on the note is at a variable rate based on the prime rate (9.75% at December 26, 1996) and the Company's ability to meet various operating ratios.

The note was collateralized by the accounts receivable and all personal property and assets (tangible and intangible) of the Company.

The Company also has a $1,500,000 note due to the previous owner of the Nogales system. The interest rate on the note is 10.0%. The interest is payable quarterly with the outstanding principal balance paid on December 27, 1996. This note was collateralized by the Nogales system subject to a subordination agreement with the bank on the line of credit.

G. SUBSEQUENT EVENTS:

On December 27, 1996, the system was sold for $11,535,000. The sale results in a gain of $4,902,599. With the sale of the system, the notes payable were paid in full.

Distributions to the partners of $5,300,000 have been paid subsequent to the end of the period.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE OFFER CONTAINED HEREIN OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS, AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OTHER THAN THOSE TO WHICH IT RELATES, NOR DOES IT CONSTITUTE AN OFFER TO SELL, OR THE SOLICITATION OF AN OFFER TO BUY, TO ANY PERSON IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED, OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO, OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE ISSUERS SINCE THE DATE HEREOF OR THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF.

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UNTIL , 1998 ALL DEALERS EFFECTING TRANSACTIONS IN THE REGISTERED SECURITIES, WHETHER OR NOT PARTICIPATING IN THIS DISTRIBUTION, MAY BE REQUIRED TO DELIVER A PROSPECTUS. THIS IS IN ADDITION TO THE OBLIGATION OF DEALERS TO DELIVER A PROSPECTUS WHEN ACTING AS UNDERWRITERS AND WITH RESPECT TO THEIR UNSOLD ALLOTMENTS OR SUBSCRIPTIONS.

PROSPECTUS

$200,000,000

MEDIACOM LLC
MEDIACOM CAPITAL CORPORATION

OFFER TO EXCHANGE SERIES B 8 1/2% SENIOR
NOTES DUE 2008 FOR ALL OUTSTANDING
8 1/2% SENIOR NOTES DUE 2008

, 1998

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 20. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 420 of the New York Limited Liability Company Law (the "New York Act") empowers a limited liability company to indemnify and hold harmless, and advance expenses to, any member, manager or other person, or any testator or intestate of such member, manager or other person, from and against any and all claims and demands whatsoever; provided, however, that no indemnification may be made to or on behalf of any member, manager or other person if a judgment or other final adjudication adverse to such member, manager or other person establishes (a) that his or her acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated or (b) that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled.

Section 15.2 of Mediacom's Third Amended and Restated Operating Agreement (the "Operating Agreement") provides as follows:

> The Company shall, to the fullest extent permitted by the New York Act, indemnify and hold harmless each Member or any of their respective shareholders, members, partners, officers, directors, employees or control persons (as such term is defined in the Securities Act) of such Members and any of the members of the Executive Committee (collectively, the "Indemnified Persons") against all claims, liabilities and expenses of whatever nature relating to activities undertaken in connection with the Company, including but not limited to amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel, accountants' and experts' and other fees, costs and expenses reasonably incurred in connection with the investigation, defense or disposition (including by settlement) of any action, suit or other proceeding, whether civil or criminal, before any court or administrative body in which such Indemnified Person may be or may have been involved, as a party or otherwise, or with which such Indemnified Person may be or may have been threatened, while acting as such Indemnified Person, provided that no indemnity shall be payable hereunder against any liability incurred by such Indemnified Person by reason of such Indemnified Person's gross negligence, fraud or willful violation of the law or the Operating Agreement or with respect to any matter as to which such Indemnified Person shall have been adjudicated not to have acted in good faith.

Article 7, Section 722 of the New York Business Corporation Law (the "Business Corporation Law") empowers a corporation to indemnify any person, made, or threatened to be made, a party to an action or proceeding (other than one by or in the right of the corporation to procure a judgment in its favor), whether civil or criminal, including an action by or in the right of any other corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, employee benefit plan or other enterprise, which any director or officer of the corporation served in any capacity at the request of the corporation, by reason of the fact that he, his testator or intestate, was a director or officer of the corporation, or served such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise in any capacity, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees actually and necessarily incurred as a result of such action or proceeding, or any appeal therein, if such director or officer acted, in good faith, for a purpose which he reasonably believed to be in, or, in the case of service for any other corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise, not opposed to, the best interests of the corporation and, in criminal actions or proceedings, in addition, had no reasonable cause to believe that his conduct was unlawful.

Section 722 also empowers a corporation to indemnify any person made, or threatened to be made, a party to an action by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he, his testator or intestate, is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director or officer of any other corporation of any type or kind, domestic or foreign, of any partnership, joint venture, trust, employee benefit plan or other enterprise, against amounts paid in settlement and reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense or settlement of such action, or in connection with an appeal therein, if such director or officer acted, in good faith, for a purpose which he reasonably believed to be in, or, in the case of service for any other corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise, not opposed to, the best interests of the corporation, except that no indemnification under this paragraph shall be made in respect of (1) a threatened action, or a pending action which is settled or otherwise disposed of, or (2) any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation, unless and only to the extent that the court in which the action was brought, or, if no action was brought, any court of competent jurisdiction, determines upon application that, in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such portion of the settlement amount and expenses as the court deems proper.

Section 7 of the Mediacom Capital's Certificate of Incorporation provides as follows:

> The corporation shall, to the fullest extent permitted by Article 7 of the Business Corporation Law, as the same may be amended and supplemented, indemnify any and all persons whom it shall have power to indemnify under said Article from and against any and all of the expenses, liabilities, or other matters referred to in or covered by said Article, and the indemnification provided for herein shall not be deemed exclusive of any other rights to which any person may be entitled under any By-Law, resolution of shareholders, resolution of directors, agreement, or otherwise, as permitted by said Article, as to action in any capacity in which he served at the request of the corporation.

Article VII of Mediacom Capital's By-Laws provides as follows:

> The Corporation shall indemnify any person to the full extent permitted, and in the manner provided, by the New York Business Corporation Law, as the same now exists or may hereafter be amended.

ITEM 21. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

(a) Exhibits

The following exhibits are filed as part of this Registration Statement:

EXHIBIT NUMBER	EXHIBIT DESCRIPTIONS
3.1(a)	Articles of Organization of Mediacom filed July 17, 1995
3.1(b)	Certificate of Amendment of the Articles of Organization of Mediacom filed December 8, 1995
3.2	Third Amended and Restated Operating Agreement of Mediacom
3.3	Certificate of Incorporation of Mediacom Capital filed March 9, 1998
3.4	By-Laws of Mediacom Capital
3.5	Certificate of Formation of Mediacom Arizona LLC filed September 5, 1996
3.6	Operating Agreement of Mediacom Arizona LLC
3.7	Certificate of Formation of Mediacom California LLC filed November 22, 1995
3.8	Operating Agreement of Mediacom California LLC
3.9	Certificate of Formation of Mediacom Delaware LLC filed December 27, 1996

EXHIBIT NUMBER	EXHIBIT DESCRIPTIONS
3.10	Operating Agreement of Mediacom Delaware LLC
3.11	Certificate of Formation of Mediacom Southeast LLC filed August 21, 1997
3.12	Operating Agreement of Mediacom Southeast LLC
4.1(a)	Indenture, dated as of April 1, 1998, between Mediacom, Mediacom Capital and Bank of Montreal Trust Company, as Trustee
4.1(b)	Exchange and Registration Rights Agreement dated April 1, 1998 between Mediacom, Mediacom Capital and the Initial Purchaser
4.1(c)	Purchase Agreement dated March 27, 1998 between Mediacom, Mediacom Capital and the Initial Purchaser
5.1	Opinion of Cooperman Levitt Winikoff Lester & Newman, P.C. regarding the validity of the Series B Notes, including consent
8.1	Opinion of Cooperman Levitt Winikoff Lester & Newman, P.C. regarding certain federal income tax matters, including consent
10.1	Management Agreement dated as of December 27, 1996 by and between Mediacom Arizona LLC and Mediacom Management
10.2	First Amended and Restated Management Agreement dated December 27, 1996 by and between Mediacom California LLC and Mediacom Management
10.3	Management Agreement dated June 24, 1997 by and between Mediacom Delaware LLC and Mediacom Management
10.4	Management Agreement dated January 23, 1998 by and between Mediacom Southeast LLC and Mediacom Management
10.5(a)	Second Amended and Restated Credit Agreement dated as of June 24, 1997 for the Western Credit Facility (schedules omitted; Registrants agree to furnish supplementally a copy of any schedule to the Commission upon request)
10.5(b)	Amendment No. 1 to the Western Credit Facility dated as of January 13, 1998
10.5(c)	Amendment No. 2 to the Western Credit Facility dated as of March 24, 1998
10.6(a)	Credit Agreement dated as of January 23, 1998 for the Southeast Credit Facility (schedules omitted; Registrants agree to furnish supplementally a copy of any schedule to the Commission upon request)
10.6(b)	Amendment No. 1 to the Southeast Credit Facility dated as of March 24, 1998
10.7	Asset Purchase and Sale Agreement, dated as of May 23, 1996, by and between Mediacom California LLC and Booth American Company (schedules omitted; Registrants agree to furnish supplementally a copy of any schedule to the Commission upon request)
10.8	Asset Purchase Agreement, dated as of August 29, 1996, between Mediacom and Saguaro Cable TV Investors, L.P. (schedules omitted; Registrants agree to furnish supplementally a copy of any schedule to the Commission upon request)
10.9	Asset Purchase Agreement, dated as of August 29, 1996, between Mediacom California LLC and Valley Center Cablesystems, L.P. (schedules omitted; Registrants agree to furnish supplementally a copy of any schedule to the Commission upon request)
10.10	Asset Purchase Agreement, dated as of December 24, 1996, by and between Mediacom and American Cable TV Investors 5, Ltd.(schedules omitted; Registrants agree to furnish supplementally a copy of any schedule to the Commission upon request)
10.11	Asset Purchase Agreement, dated May 22, 1997, between Mediacom California LLC and CoxCom, Inc. (schedules omitted; Registrants agree to furnish supplementally a copy of any schedule to the Commission upon request)

EXHIBIT NUMBER	EXHIBIT DESCRIPTIONS
10.12	Asset Purchase Agreement, dated September 17, 1997, between Mediacom California LLC and Jones Cable Income Fund 1-B/C Venture (schedules omitted; Registrants agree to furnish supplementally a copy of any schedule to the Commission upon request)
10.13	Asset Purchase Agreement, dated August 29, 1997, among Mediacom, U.S. Cable Television Group, L.P., ECC Holding Corporation, Missouri Cable Partners, L.P. and Cablevision Systems Corporation (schedules omitted; Registrants agree to furnish supplementally a copy of any schedule to the Commission upon request)
12.1	Schedule of Earnings to Fixed Charges
21.1	Subsidiaries of Mediacom
23.1	Consent of Arthur Andersen LLP
23.2	Consent of Keller Bruner & Company, L.L.C.
23.3	Consent of KPMG Peat Marwick LLP
23.4	Consent of KPMG Peat Marwick LLP
23.5	Consent of Gustafson, Crandall & Christensen, Inc.
23.6	Consents of Cooperman Levitt Winikoff Lester & Newman, P.C. (included in Exhibits 5.1 and 8.1)
24.1	Powers of Attorney (included as part of signature pages)
25.1	Statement of Eligibility on Form T-1 of Trustee
27.1	Financial Data Schedule
99.1	Form of Letter of Transmittal with respect to the Exchange Offer

(b) Financial Statement Schedules

None.

ITEM 22. UNDERTAKINGS.

Mediacom LLC and Mediacom Capital Corporation (the "Registrants") hereby undertake:

(1) To file, during any period in which offers or sales are being made, a post- effective amendment to this Registration Statement: (i) to include any prospectus required by Section 10(a)(3) of the Securities Act of 1933; (ii) to reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; (iii) to include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof; and

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

The undersigned Registrants hereby undertake to respond to requests for information that is incorporated by reference into the prospectus pursuant to Item 4, 10(b), 11, or 13 of Form S-4, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the Registration Statement through the date of responding to the request.

The undersigned Registrants hereby undertake to supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the Registration Statement when it became effective.

The undersigned Registrants hereby undertake as follows: that prior to any public reoffering of the securities registered hereunder through use of a prospectus which is a part of this Registration Statement, by any person or party who is deemed to be an underwriter within the meaning of Rule 145(c), the Registrants undertake that such reoffering prospectus will contain the information called for by the applicable registration form with respect to reofferings by persons who may be deemed underwriters, in addition to the information called for by the other Items of the applicable form.

The Registrants undertake that every prospectus (i) that is filed pursuant to the immediately preceding paragraph, or (ii) that purports to meet the requirements of Section 10(a)(3) of the Securities Act of 1933 and is used in connection with an offering of securities subject to Rule 415, will be filed as a part of an amendment to the Registration Statement and will not be used until such amendment is effective, and that, for purposes of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrants pursuant to the foregoing provisions, or otherwise, the Registrants have been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrants of expenses incurred or paid by a director, officer or controlling person of the Registrants in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrants will, unless in the opinion of their counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by them is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

The undersigned Registrants hereby undertake that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrants pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this Registration Statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Middletown, State of New York, on June 19, 1998.

MEDIACOM LLC

By: /s/ Rocco B. Commisso
ROCCO B. COMMISSO MANAGER

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS that each person whose signature appears below constitutes and appoints Rocco B. Commisso and Mark E. Stephan as such person's true and lawful attorney-in-fact and agent, acting alone, with full powers of substitution and revocation, for such person and in such person's name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement and to file the same with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent, acting alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as such person might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent, acting alone, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

SIGNATURE	TITLE	DATE
/s/ Rocco B. Commisso ROCCO B. COMMISSO	Manager, Chairman and Chief Executive Officer (principal executive officer)	June 19, 1998
/s/ Mark E. Stephan MARK E. STEPHAN	Senior Vice President, Chief Financial Officer and Treasurer (principal financial officer and principal accounting officer)	June 19, 1998

SIGNATURES

Pursuant to the requirements of the Securities Act, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Middletown, State of New York, on June 19, 1998.

MEDIACOM CAPITAL CORPORATION

/s/ Rocco B. Commisso
By: ___________________________________
ROCCO B. COMMISSO PRESIDENT

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS that each person whose signature appears below constitutes and appoints Rocco B. Commisso and Mark E. Stephan as such person's true and lawful attorney-in-fact and agent, acting alone, with full powers of substitution and revocation, for such person and in such person's name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement and to file the same with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent, acting alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as such person might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent, acting alone, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

SIGNATURE	TITLE	DATE
/s/ Rocco B. Commisso ------------------------------------- ROCCO B. COMMISSO	Chief Executive Officer, President and Director (principal executive officer)	June 19, 1998
/s/ Mark E. Stephan ------------------------------------- MARK E. STEPHAN	Chief Financial Officer, Treasurer and Secretary (principal financial officer and principal accounting officer)	June 19, 1998

EXHIBIT INDEX

EXHIBIT NUMBER	EXHIBIT DESCRIPTIONS
3.1(a)	Articles of Organization of Mediacom filed July 17, 1995
3.1(b)	Certificate of Amendment of the Articles of Organization of Mediacom filed December 8, 1995
3.2	Third Amended and Restated Operating Agreement of Mediacom
3.3	Certificate of Incorporation of Mediacom Capital filed March 9, 1998
3.4	By-Laws of Mediacom Capital
3.5	Certificate of Formation of Mediacom Arizona LLC filed September 5, 1996
3.6	Operating Agreement of Mediacom Arizona LLC
3.7	Certificate of Formation of Mediacom California LLC filed November 22, 1995
3.8	Operating Agreement of Mediacom California LLC
3.9	Certificate of Formation of Mediacom Delaware LLC filed December 27, 1996
3.10	Operating Agreement of Mediacom Delaware LLC
3.11	Certificate of Formation of Mediacom Southeast LLC filed August 21, 1997
3.12	Operating Agreement of Mediacom Southeast LLC
4.1(a)	Indenture, dated as of April 1, 1998, between Mediacom, Mediacom Capital and Bank of Montreal Trust Company, as Trustee
4.1(b)	Exchange and Registration Rights Agreement dated April 1, 1998 between Mediacom, Mediacom Capital and the Initial Purchaser
4.1(c)	Purchase Agreement dated March 27, 1998 between Mediacom, Mediacom Capital and the Initial Purchaser
5.1	Opinion of Cooperman Levitt Winikoff Lester & Newman, P.C. regarding the validity of the Series B Notes, including consent
8.1	Opinion of Cooperman Levitt Winikoff Lester & Newman, P.C. regarding certain federal income tax matters, including consent
10.1	Management Agreement dated as of December 27, 1996 by and between Mediacom Arizona LLC and Mediacom Management
10.2	First Amended and Restated Management Agreement dated December 27, 1996 by and between Mediacom California LLC and Mediacom Management
10.3	Management Agreement dated June 24, 1997 by and between Mediacom Delaware LLC and Mediacom Management
10.4	Management Agreement dated January 23, 1998 by and between Mediacom Southeast LLC and Mediacom Management
10.5(a)	Second Amended and Restated Credit Agreement dated as of June 24, 1997 for the Western Credit Facility (schedules omitted; Registrants agree to furnish supplementally a copy of any schedule to the Commission upon request)
10.5(b)	Amendment No. 1 to the Western Credit Facility dated as of January 13, 1998
10.5(c)	Amendment No. 2 to the Western Credit Facility dated as of March 24, 1998
10.6(a)	Credit Agreement dated as of January 23, 1998 for the Southeast Credit Facility (schedules omitted; Registrants agree to furnish supplementally a copy of any schedule to the Commission upon request)

EXHIBIT NUMBER	EXHIBIT DESCRIPTIONS
10.6(b)	Amendment No. 1 to the Southeast Credit Facility dated as of March 24, 1998
10.7	Asset Purchase and Sale Agreement, dated as of May 23, 1996, by and between Mediacom California LLC and Booth American Company (schedules omitted; Registrants agree to furnish supplementally a copy of any schedule to the Commission upon request)
10.8	Asset Purchase Agreement, dated as of August 29, 1996, between Mediacom and Saguaro Cable TV Investors, L.P. (schedules omitted; Registrants agree to furnish supplementally a copy of any schedule to the Commission upon request)
10.9	Asset Purchase Agreement, dated as of August 29, 1996, between Mediacom California LLC and Valley Center Cablesystems, L.P. (schedules omitted; Registrants agree to furnish supplementally a copy of any schedule to the Commission upon request)
10.10	Asset Purchase Agreement, dated as of December 24, 1996, by and between Mediacom and American Cable TV Investors 5, Ltd.(schedules omitted; Registrants agree to furnish supplementally a copy of any schedule to the Commission upon request)
10.11	Asset Purchase Agreement, dated May 22, 1997, between Mediacom California LLC and CoxCom, Inc. (schedules omitted; Registrants agree to furnish supplementally a copy of any schedule to the Commission upon request)
10.12	Asset Purchase Agreement, dated September 17, 1997, between Mediacom California LLC and Jones Cable Income Fund 1-B/C Venture (schedules omitted; Registrants agree to furnish supplementally a copy of any schedule to the Commission upon request)
10.13	Asset Purchase Agreement, dated August 29, 1997, among Mediacom, U.S. Cable Television Group, L.P., ECC Holding Corporation, Missouri Cable Partners, L.P. and Cablevision Systems Corporation (schedules omitted; Registrants agree to furnish supplementally a copy of any schedule to the Commission upon request)
12.1	Schedule of Earnings to Fixed Charges
21.1	Subsidiaries of Mediacom
23.1	Consent of Arthur Andersen LLP
23.2	Consent of Keller Bruner & Company, L.L.C.
23.3	Consent of KPMG Peat Marwick LLP
23.4	Consent of KPMG Peat Marwick LLP
23.5	Consent of Gustafson, Crandall & Christensen, Inc.
23.6	Consents of Cooperman Levitt Winikoff Lester & Newman, P.C. (included in Exhibits 5.1 and 8.1)
24.1	Powers of Attorney (included as part of signature pages)
25.1	Statement of Eligibility on Form T-1 of Trustee
27.1	Financial Data Schedule
99.1	Form of Letter of Transmittal with respect to the Exchange Offer

EXHIBIT 3.1(a)

ARTICLES OF ORGANIZATION

OF

MEDIACOM LLC

Under Section 203 of the Limited Liability Company Law ("LLCL") of the State of New York

FIRST: The name of the limited liability company is MEDIACOM LLC.

SECOND: The purpose of the Company is to engage in any lawful act or activity for which limited liability companies may be organized under the LLCL.

THIRD: The county within the State of new York in which the office of the Company is to be located is Rockland County.

FOURTH: In addition to the events of dissolution set forth in (S)701 of the LLCL, the latest date to which the Company may continue without dissolution occurring is December 31, 2025.

FIFTH: The Secretary of State is designated as the agent of the Company upon whom process against the Company may be served. The post office address within or without the State of New York to which the Secretary of State shall mail a copy of any process against the Company served upon such Secretary of State is c/o Robert L. Winikoff, Esq., Cooperman Levitt Winikoff Lester & Newman, P.C., 800 Third Avenue, New York, New York 10022.

SIXTH: The Company is to be managed by one or more managers.

IN WITNESS WHEREOF, I have subscribed this certificate this 11th day of July, 1995, and do hereby affirm the statements made herein as true under the penalties of perjury.

/s/ J. Douglas Geary

J. Douglas Geary, Esq.
Sole Organizer
c/o Cooperman Levitt Winikoff
Lester & Newman, P.C.
800 Third Avenue
New York, New York 10022

CERTIFICATE OF AMENDMENT

OF THE

ARTICLES OF ORGANIZATION

OF

MEDIACOM LLC

Under Section 211 of the Limited Liability Company Law

FIRST: The name of the limited liability company is: MEDIACOM LLC.

SECOND: The date of filing of the articles of organization is July 17, 1995.

THIRD: The amendment effected by this certificate of amendment is as follows:

(A) Paragraph Third of the Articles of Organization dealing with the county in which the office of the Company is located is hereby amended to read as follows:

The county within the State of New York in which the county of the Company is to be located is Orange County.

IN WITNESS WHEREOF, this certificate has been subscribed this 21/st/ day of November, 1995, by the undersigned who affirms the statements herein to be true under penalty of perjury.

/s/ J. Douglas Geary

J. Douglas Geary, Esq.
Sole Organizer
Cooperman Levitt Winikoff
Lester & Newman, P.C.
800 Third Avenue
New York, New York 10022
(212) 688-7000

EXHIBIT 3.2

THIRD AMENDED AND RESTATED

OPERATING AGREEMENT

OF

MEDIACOM LLC

DATED AS OF JANUARY 20, 1998

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SCHEDULES
- ---------

THIRD AMENDED AND RESTATED OPERATING AGREEMENT

OF

MEDIACOM LLC

THIS THIRD AMENDED AND RESTATED OPERATING AGREEMENT, dated as of January 20, 1998 (this "Agreement"), is made by and among the Members set forth on Schedule A hereto.

RECITALS

WHEREAS, Mediacom LLC was established as a limited liability company pursuant to an operating agreement dated as of July 17, 1995;

WHEREAS, the operating agreement was amended and restated in its entirety as the Amended and Restated Operating Agreement of Mediacom LLC dated as of March 12, 1996 (the "Initial Amended and Restated Operating Agreement");

WHEREAS, the Initial Amended and Restated Operating Agreement was further amended and restated in its entirety as of March 31, 1997, and thereafter amended as of June 16, 1997 (the "Second Amended and Restated Operating Agreement");

WHEREAS, certain of the parties hereto are becoming members of Mediacom LLC by making capital contributions and committing to make additional capital contributions; and

WHEREAS, the parties hereto desire to provide further for the governance of Mediacom LLC and to set forth in detail their respective rights and obligations pursuant to the New York Limited Liability Company Act in connection with the operation of Mediacom LLC and to amend and restate in its entirety the Second Amended and Restated Operating Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties executing this Agreement below, intending to be legally bound, agree as follows:

ARTICLE I

DEFINITIONS

1.1 DEFINITIONS.In this Agreement, the following terms shall have the meanings set forth below when used in this Agreement with initial capital letters:

(a) "Accounting Period" shall mean, as the context may require, the period commencing on the date of this Agreement (as originally entered into) or on the day following the last day of the immediately preceding Accounting Period, and ending on the next succeeding of the following: (a) the last day of each Fiscal Year; (b) the day prior to the day as of which a current or newly-admitted Member makes a Capital Contribution to the Company, if the Percentage Interests change as a result of such Capital Contribution; (c) the date upon which the Company shall be dissolved; or (d) any day designated by the Manager as the date upon which an Accounting Period shall end.

(b) "Additional Capital Contribution" shall have the meaning set forth in Section 7.2(a) hereof.

(c) "Adjusted Basis" shall mean, as of any date of determination, the Company's adjusted basis in any asset as of such date, as determined for Federal income tax purposes pursuant to Section 1011 of the Code.

(d) "Affiliate" shall mean, with respect to any Person, any other Person controlling, controlled by or under common control with such Person, with "control" for such purpose meaning the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities or voting interests, by contract or otherwise.

(e) "Agreement" shall mean this Third Amended and Restated Operating Agreement as amended from time to time.

(f) "Articles of Organization" shall mean the Articles of Organization of the Company filed with the New York Secretary of State on July 17, 1995, as they may from time to time be amended.

(g) "BHCA" shall mean the United States Bank Holding Company Act of 1956, as amended, and any later law, regulation or rule of similar effect.

(h) "BMO Affiliate" shall mean any Affiliate of Bank of Montreal, or any successor, subject to the BHCA or similar provisions restricting investments in non-banking organizations under the IBA.

(i) "Business Day" shall mean any day other than a Saturday, Sunday or any other day on which banks in the State of New York are required or permitted by law to be closed.

(j) "Capital Account" as of any date shall mean the Capital Contribution to the Company by a Member, adjusted as of such date pursuant to the terms of this Agreement.

(k) "Capital Call" shall have the meaning set forth in Section 7.2(a) hereof.

(l) "Capital Commitment" shall mean the obligation, with respect to any Member, of such Member to make a Capital Contribution to the Company.

(m) "Capital Contribution" shall mean any contribution by a Member to the capital of the Company in cash, property or services rendered, as the same may be reflected from time to time on Schedule A hereto.

(n) "Carrying Value" shall mean (i) with respect to any asset (other than cash) included in a Capital Contribution of a Member, the fair market value of such contributed property on the date of contribution, (ii) with respect to any property held by the Company at the time of any adjustment of Percentage Interests pursuant to Section 8.5, the fair market value of such property and (iii) with respect to any other asset, the Adjusted Basis thereof; provided, that, in the case of the foregoing clauses (i) and (ii), the Carrying Value shall be reduced, but not below zero, by all depreciation, amortization, and similar expense thereafter charged to the Members' Capital Accounts with respect to such property.

(o) "Claim" shall have the meaning set forth in Section 15.2 hereof.

(p) "Code" shall mean the Internal Revenue Code of 1986, as amended, and any successor to that Code.

(q) "Commisso Entity" shall mean, collectively, (i) Rocco B. Commisso, (ii) any Person controlled by Rocco B. Commisso and owned by Rocco B. Commisso, (iii) members of the immediate family of Rocco B. Commisso or (iv) any Person 51% of which is beneficially owned by Rocco B. Commisso and members of the immediate family of Rocco B. Commisso.

(r) "Commisso Members" shall mean (i) Rocco B. Commisso, and (ii) any Person controlled by him and of which he, members of his immediate family or trusts established for the benefit of any of the foregoing are 51% equity holders; provided, that Rocco B. Commisso or such Person shall have at least a 1% Percentage Interest.

(s) "Commitment Period" shall mean, with respect to any Member that has a Capital Commitment, the period commencing on the date of acceptance by the Company of such Capital Commitment and extending through the second anniversary thereof, which period may, in the discretion of the Manager, be extended through the third anniversary thereof.

(t) "Company" shall refer to MEDIACOM LLC, a New York limited liability company.

(u) "Credit Agreement" shall mean and include (i) that certain Second Amended and Restated Credit Agreement, dated as of June 24, 1997, among Mediacom Arizona, Mediacom Delaware, Mediacom California, the lenders party thereto and The Chase Manhattan Bank, as administrative agent, as amended, restated, modified or supplemented from time to time, including any increase, deferral, renewal, extension or refinancing thereof, (ii) that certain Credit Agreement, dated as of January 22, 1998, among Mediacom Southeast, the lenders party thereto and The Chase Manhattan Bank, as Administrative Agent, as amended, restated, modified or supplemented from time to time, including any increase, deferral, renewal, extension or refinancing thereof and (iii) any senior credit facility entered into hereafter by the Company or any Subsidiary.

(v) "Default Rule" shall mean a rule stated in the New York Act:

(1) which structures, defines, or regulates the finances, governance, operations, or other aspects of a limited liability company organized under the New York Act, and

(2) which applies except to the extent it is negated or modified through the provisions of a limited liability company's articles of organization or operating agreement.

(w) "Distribution" means any cash and other property paid to a Member (in its capacity as such) by the Company.

(x) "Excess Chase Units" shall mean, if the FCC does not, within one year from the date of closing of the U.S. Cable Acquisition, raise from five percent (5%) to ten percent (10%) the level of ownership interest required to invoke FCC cross-ownership restrictions, those Membership Units held by Chase Manhattan Capital, L.P. and CB Capital Investors, L.P. (the "Chase Entities") which cause the total number of Membership Units held by the Chase Entities to exceed four and 99/100 (4.99%) percent (or if then higher, the highest ownership position possible without invoking FCC cross ownership restrictions) of the outstanding Membership Units.

(y) "Executive Committee" shall have the meaning set forth in Section 5.1 hereof.

(z) "Executive Compensation" shall have the meaning set forth in Section 5.13(b) of this Agreement.

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

(bb) "Fiscal Year" shall mean the fiscal year of the Company, which shall be the year ending December 31.

(cc) "GAAP" shall mean generally accepted accounting principles applied on a consistent basis.

(dd) "IBA" shall mean the United States International Banking Act of 1978, as amended, and any later law, regulation or rule of similar effect.

(ee) "Indemnified Persons" shall have the meaning set forth in Section 15.1 of this Agreement.

(ff) "Largest Member" shall have the meaning set forth in Section 5.5(b) of this Agreement.

(gg) "Loss" shall mean the taxable loss of the Company for any Fiscal Year or portion thereof, as computed for Federal income tax purposes in accordance with Section 703(a) of the Code. For this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code shall be aggregated, but there shall be excluded from such computation any item of income, gain, loss, or deduction which is specifically allocated.

(hh) "Management Agreement" shall mean each agreement entered into by a Subsidiary and Mediacom Management providing for certain supervisory services to be performed by Mediacom Management with respect to the Systems.

(ii) "Manager" shall mean Rocco B. Commisso and any other Member who succeeds him as a manager pursuant to this Agreement; provided, that Rocco B. Commisso or such Person shall have at least a 1% Percentage Interest.

(jj) "Mediacom Arizona" shall mean Mediacom Arizona LLC, a Delaware limited liability company in which the Company holds a 99% equity interest.

(kk) "Mediacom California" shall mean Mediacom California LLC, a Delaware limited liability company in which the Company holds a 99% equity interest.

(ll) "Mediacom Delaware" shall mean Mediacom Delaware LLC, a Delaware limited liability company in which the Company holds a 100% equity interest.

(mm) "Mediacom Management" shall mean Mediacom Management Corporation, a Delaware corporation and Affiliate of the Manager which provides supervisory services with respect to the Systems.

(nn) "Mediacom Southeast" shall mean Mediacom Southeast LLC, a Delaware limited liability company in which the Company holds a 100% equity interest.

(oo) "Member" shall mean each Person who or which executes a counterpart of this Agreement as a Member and each Person who or which may hereafter become a party to this Agreement.

(pp) "Membership Units" shall mean units of membership interest in the Company, each such unit having a value upon issuance of $1,000, as the same may be reflected from time to time on Schedule B hereto.

(qq) "Minimum Gain" shall mean "partnership minimum gain" as defined in Treasury Regulation 1.704-2(d).

(rr) "Net Agreed Value" shall mean

(1) in the case of any Capital Contribution other than cash, the fair market value of such property at the time of contribution reduced by any indebtedness secured by such property and assumed or taken subject to by the Company upon such contribution under Section 752 of the Code, and

(2) in the case of any property (other than cash) distributed to a Member, the fair market value of such property at the time of such distribution reduced by any indebtedness secured by such property and assumed or taken subject to by such Member upon such distribution under Section 752 of the Code.

(ss) "New York Act" shall mean the New York Limited Liability Company Act.

(tt) "Nonfunding Member" shall have the meaning set forth in Section 7.2(b) hereof.

(uu) "Partner Nonrecourse Debt Minimum Gain" has the meaning set forth in Treasury Regulation 1.704-2(i)(3).

(vv) "Percentage Interest" shall mean with respect to any Member the ratio of the Membership Units held by such Member to the aggregate number of Membership Units held by all Members, as the same may be reflected from time to time on Schedule B hereto.

(ww) "Person" shall mean any natural person, corporation, governmental authority, limited liability company, partnership, trust, unincorporated association or other commercial or legal entity.

(xx) "Preferred Capital" shall mean with respect to any Member, the product of the number of Membership Units held by such Member times $1,000.00, as adjusted pursuant to Section 8.5.

(yy) "Preferred Return" shall mean, with respect to the Preferred Capital relating to each Membership Unit held by a Member, a cumulative return of twelve (12%) percent per annum compounded annually, such compounding to be initially in respect of (and pro rated for) the period commencing on the date of the issuance of such Membership Unit (including by virtue of Section 8.5 of this Agreement, if applicable) and ending on the last day of the then-current Fiscal Year, and thereafter annually.

(zz) "Profit" shall mean the taxable income of the Company for any Fiscal Year or portion thereof as computed for Federal income tax purposes in accordance with Section 703(a) of the Code. For this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code shall be aggregated, but there shall be excluded from such computation any item of income, gain, loss, or deduction which is specifically allocated.

(aaa) "Purchase Note" shall have the meaning set forth in Section 11.1(c) of this Agreement.

(bbb) "Put" shall have the meaning set forth in Section 11.1(a) of this Agreement.

(ccc) "Put Notice" shall have the meaning set forth in Section 11.1(a) of this Agreement.

(ddd) "Put Price" shall have the meaning set forth in Section 11.1(b) of this Agreement.

(eee) "Records" shall mean:

(1) true and full information regarding the status of the business and financial condition of the Company;

(2) copies of the Company's Federal, state, and local income tax returns;

(3) a current list of the name and last known business, residence, or mailing address of each Member and the Manager;

(4) a copy of this Agreement, the Articles of Organization, and all amendments thereto, together with executed copies of any written powers of attorney pursuant to which this Agreement and the Articles of Organization and all amendments thereto have been executed;

(5) true and full information regarding the amount of cash and a description and statement of the value of any other property or services contributed by each Member and which each Member has agreed to contribute in the future, and the date on which each became a Member;

(6) a copy of each material contract entered into by the Company;

(7) minutes of the meetings of the Members;

(8) a copy of each effective registration statement and report filed with the SEC or any national securities exchange association; and

(9) other information regarding the affairs of the Company as required by an act of the Members or as is prudent and desirable in the opinion of the Manager.

(fff) "Regulatory Allocations" shall have the meaning set forth in Section 9.3(c)(6) of this Agreement.

(ggg) "Regulatory Violation" shall mean (i) with respect to any Member that is a Small Business Investment Company, a diversion of the proceeds of the investment by such Member hereunder from the reported use thereof on SBA Form 1031 delivered in connection with such Member's Capital Contribution, if such diversion was effected without obtaining the prior written consent of such Member (which may be withheld in its sole discretion) or (ii) a change in the principal business activity of the Company and its Subsidiaries to an ineligible business activity (within the meaning of the Small Business Investment Act of 1958 and the regulations issued thereunder as set forth in 13 CFR 107 and 121, as amended) if such change occurs within one year after the date hereof.

(hhh) "Second Largest Member" shall have the meaning set forth in Section 5.5(b) of this Agreement.

(iii) "SEC" shall mean the Securities and Exchange Commission or any governmental authority substituted therefor.

(jjj) "Securities Act" shall mean the Securities Act of 1933, as amended, and any successor thereto.

(kkk) "Specified Value" shall have the meaning set forth in Section 8.5(e) of this Agreement.

(lll) "Subject Membership Units" shall mean any Membership Units acquired by a BMO Affiliate (whether directly from the Company upon subscription or otherwise), and any Membership Units or similar interests issued or distributed with respect thereto, or in replacement thereof; provided, however, that upon an irrevocable transfer to a Person other than a BMO Affiliate or Subject Transferee, a Subject Membership Unit shall immediately cease to be a Subject Membership Unit.

(mmm) "Subject Transferee" shall mean any transferee of Subject Membership Units transferred by a BMO Affiliate or a Subject Transferee, but shall not include a transferee (1) who must obtain the approval of the Manager under Section 12.1(a) of the Agreement to become a Member with respect to such Subject Membership Units; (2) of a transfer that requires approval of the Executive Committee under Section 12.1(a) of this Agreement to be effective; or (3) in a public offering registered under the Securities Act.

(nnn) "Subsidiary" shall mean Mediacom Arizona, Mediacom California, Mediacom Delaware, Mediacom Southeast and each other entity which operates Systems and of which the Company is, directly or indirectly, the holder of the majority of equity interests.

(ooo) "System" shall mean (i) any cable distribution system that receives broadcast signals by antennae, microwave transmission, satellite transmission or any other form of transmission that amplifies such signals and distributes them via cable, and (ii) any other business from which the Company or its Subsidiaries derives revenue from telecommunications services.

(ppp) "System Cash Flow" shall mean, for any period, the sum, for the Company and its Subsidiaries (determined on a consolidated basis), of the following: (i) the gross operating revenues for such period minus (ii) all operating expenses 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, depreciation, amortization, interest expense, and any payments described in Section 5.13 of this Agreement; provided, however, that gross operating revenues and operating expenses for any period shall exclude all extraordinary and unusual items and all non-cash items.

(qqq) "Termination Event" shall mean the death, legal incapacity, resignation, removal, bankruptcy or dissolution of the Manager, unless the holders of no less than two-thirds of Membership Units elect to continue the Company.

(rrr) "Treasury Regulations" shall mean all proposed, temporary and final regulations promulgated under the Code as from time to time in effect.

(sss) "Triggering Event" is defined as the earlier to occur of:

(1) Any date upon which (a) any Member's investment in Membership Units of the Company exceeds permitted amounts under any legal restriction to which it is subject, or such Member is otherwise not permitted to hold such Membership Units, under any law, rule or regulation applicable to such Member or (b) legal restrictions are imposed on any Member which make the holding of such Membership Units or a portion thereof illegal or unduly burdensome (in which case such Member shall have a Put Option only with respect to excess Membership Units held by such Member); or

(2) The occurrence of a Regulatory Violation, provided that no such restriction or occurrence described above shall constitute a Triggering Event if such restriction or occurrence is caused by the voluntary act of the Member with the intention to create a Triggering Event to which such restriction or occurrence applies.

(ttt) "Unfunded Capital Commitment" shall mean, for any Member at any time, the amount of such Member's Capital Commitment in excess of such Member's aggregate Capital Contributions, as the same may be reflected from time to time on Schedule C hereto; provided, however, that a Member's Unfunded Capital Commitment shall at no time exceed any amount which would result in a Triggering Event for such Member by reason of such Member making an Additional Capital Contribution pursuant to a Capital Call.

(uuu) "Unrealized Gain" shall mean, with respect to any asset and as of any date of determination, the excess, if any, of the then current fair market value of such asset over the Carrying Value thereof as of such date.

(vvv) "Unrealized Loss" shall mean, with respect to any asset and as of any date of determination, the excess, if any, of the then current Carrying Value of such asset over the fair market value thereof as of such date.

(www) "Unreturned Preferred Capital" shall mean, for any Member at any time, the excess (if any) of such Member's Preferred Capital over all amounts previously distributed to such Member pursuant to Section 8.2(a) or 8.4(b)(1).

(xxx) "Unreturned Preferred Return" shall mean, for any Member at any time, the excess (if any) of such Member's accrued Preferred Return at such time over all amounts previously distributed to such Member pursuant to Section 8.2(b) or 8.4(b)(2).

(yyy) "U.S. Cable Acquisition" shall mean the acquisition by the Company or a Subsidiary of certain cable television systems and other assets to be acquired pursuant to an Asset Purchase Agreement dated as of August 29, 1997 between the Company, Cablevision Systems Corporation, U.S. Cable Television Group, L.P., ECC Holding Corporation and Missouri Cable Partners, L.P.

ARTICLE II

RELATIONSHIP OF THIS AGREEMENT TO THE DEFAULT RULES PROVIDED BY THE NEW YORK ACT AND TO THE ARTICLES OF ORGANIZATION

2.1 RELATIONSHIP OF THIS AGREEMENT TO THE DEFAULT RULES PROVIDED BY THE NEW YORK ACT.

Regardless of whether this Agreement specifically refers to particular Default Rules:

(a) if any provision of this Agreement conflicts with a Default Rule, the provision of this Agreement controls and the Default Rule is modified or negated accordingly, and

(b) if it is necessary to construe a Default Rule as modified or negated in order to effectuate any provision of this Agreement, the Default Rule is modified or negated accordingly.

2.2 RELATIONSHIP BETWEEN THIS AGREEMENT AND THE ARTICLES OF ORGANIZATION.

If a provision of this Agreement differs from a provision of the Articles of Organization, then to the extent allowed by law this Agreement shall govern.

ARTICLE III

ORGANIZATION

3.1 FORMATION. The Company was formed as a limited liability company by the filing with the New York Secretary of State of its Articles of Organization pursuant to the New York Act.

3.2 NAME. The name of the Company is MEDIACOM LLC.

3.3 PRINCIPAL PLACE OF BUSINESS. The principal place of business of the Company within the State of New York shall be 100 Crystal Run Road, Middletown, New York 10941. The Company may establish any other places of business as the Manager may from time to time deem advisable.

3.4 TERM. The term of the Company shall be until December 31, 2020, unless the Company is dissolved sooner pursuant to this Agreement or the New York Act.

3.5 PURPOSES. The Company is formed for the purpose of acquiring, directly or through Persons in which the Company invests equity or debt, franchises to operate, and to own, invest in, design, construct, maintain, manage and operate, exchange and dispose of, one or more Systems or entities providing telecommunications services, and to do all things reasonably incidental thereto, including borrowing and lending money and securing such borrowings by mortgage, pledge, or other lien, and leasing or disposing of Systems or entities providing telecommunications services. The Company has invested in Mediacom Arizona, Mediacom Delaware and Mediacom California, and, upon closing of the U.S. Cable Acquisition, Mediacom Southeast.

ARTICLE IV

MEMBERS

4.1 NAMES AND ADDRESSES. The names and addresses of the Members are as set forth in Schedule A to this Agreement.

4.2 ADDITIONAL MEMBERS. A Person may be admitted as a Member after the date of this Agreement upon compliance with the terms of this Agreement and any other conditions imposed by the Manager from time to time for the admission of additional or substitute Members.

4.3 BOOKS AND RECORDS. The Company shall keep the Records at its principal place of business.

4.4 INFORMATION. Each Member and its agents may inspect the Records during ordinary business hours and upon reasonable notice to the Manager at the principal place of business of the Company.

4.5 LIMITATION OF LIABILITY. Each Member's liability shall be limited as set forth in this Agreement, the New York Act and other applicable law. No Member shall be personally liable for any indebtedness, liability or obligation of the Company without entering into a written agreement assuming such personal liability, except that such Member shall remain personally liable for the payment of its Capital Commitment and as otherwise set forth in this Agreement, the New York Act and any other applicable law.

4.6 PRIORITY AND RETURN OF CAPITAL. Except as expressly set forth herein, no Member shall have priority over any other Member, whether for the return of a Capital Contribution or for Profits, Losses or a Distribution; provided, however, that this Section 4.6 shall not apply to loans or other obligations (as distinguished from a Capital Contribution) made by a Member or its Affiliates to or on behalf of the Company.

4.7 LIABILITY OF A MEMBER TO THE COMPANY. A Member who or which rightfully receives the return of any portion of a Capital Contribution is liable to the Company only to the extent now or hereafter provided by the New York Act. A Member who or which receives a Distribution made by the Company in violation of this Agreement or made when the Company's liabilities exceed its assets (after giving effect to such Distribution) shall be liable to the Company for the amount of such Distribution.

4.8 FINANCIAL ADJUSTMENTS. No Member admitted after the date of this Agreement or making an additional Capital Contribution after the date of this Agreement shall be entitled to any retroactive allocation of losses, income or expense deductions incurred by the Company. The Manager may, in his discretion, at the time a Member is admitted or makes additional Capital Contributions, close the books and records of the Company (as though the Fiscal Year had ended) or make pro rata allocations of loss, income and expense deductions to such Member for that portion of the Fiscal Year in which such Member was admitted or makes additional Capital Contributions in accordance with the Code.

ARTICLE V

MANAGEMENT AND OPERATION OF THE COMPANY

5.1 MANAGEMENT. Except as otherwise provided herein, (i) the overall management and control of the business and affairs of the Company shall be vested in one Manager who shall report on certain matters to a committee of the Company (the "Executive Committee"); provided, that nothing in this Article V shall derogate from the power of the Manager and the Members to agree jointly in writing to cause the Company to act and (ii) the Manager shall exercise all powers necessary and convenient for the purposes of the Company, including those enumerated in Section 3.5 and Section 5.3, on behalf and in the name of the Company.

5.2 NUMBER, TENURE AND QUALIFICATIONS OF MANAGER. Rocco B. Commisso shall serve as the Manager, and shall hold office until his resignation or other event that terminates his membership and the qualification of his successor. Mr. Commisso or a Commisso Member then serving as Manager shall have the right to designate a Commisso Member, the chief executive officer of which is Mr. Commisso, as successor Manager without the vote or consent of the Members. Any successor Manager not appointed as described above, shall be elected by the vote or written consent of at least a majority of all Membership Units. Such successor Manager need not be a resident of the State of New York. Any Manager shall hold at least a 1% Percentage Interest in the Company.

5.3 POWERS OF MANAGER. Except as set forth in this Agreement, the Manager shall have power and authority, on behalf of the Company itself and on behalf of the Subsidiaries, to (a) purchase, lease or otherwise acquire from, or sell, lease or otherwise dispose of, to any Person any property, (b) form Subsidiaries, (c) open bank accounts and otherwise invest funds, (d) incur or guarantee indebtedness, (e) authorize a Member to guarantee indebtedness of the Company or any of the Subsidiaries in an amount or amounts in the aggregate not to exceed $10,200,000 for any Member, (f) issue additional Membership Units, (g) purchase insurance on the business and assets of the Company, (h) commence lawsuits and other proceedings, (i) enter into any agreement, instrument or other writing, (j) retain accountants, attorneys or other agents, and (k) take any other lawful action that the Manager considers necessary, convenient or advisable in connection with the business of the Company. The Manager shall have the power to cause the Company to enter into contracts with Affiliates of the Company or the Manager in respect of property, services, or credit in the ordinary course of business, but only if the monetary or business consideration arising therefrom would be comparable and substantially as advantageous to the Company as in a comparable transaction with a Person not an Affiliate.

5.4 BINDING AUTHORITY. No Person shall have any power or authority to bind the Company unless such Person has been authorized by the Manager to act on behalf of the Company in accordance with this Agreement.

5.5 MANAGER AND EXECUTIVE COMMITTEE. (a) Except where expressly provided to the contrary herein, all decisions with respect to the management and control of the Company that are duly made by the Manager shall be binding on the Company and each of the Members.

(b) The Manager has established the Executive Committee, which shall meet periodically to exchange information with respect to Company affairs. The approval of the Executive Committee shall be required to authorize certain acts or transac tions as specified in this Agreement. The Executive Committee shall have five members. The Manager shall be a member and Chairman of the Executive Committee and shall designate two additional members of the Executive Committee, one of whom may be an Affiliate of the Manager or an employee of Mediacom Management or a Subsidiary. The Member (for this purpose, a Member and each Affiliate shall be deemed one Member) having the largest number of Membership Units (for this purpose, calculated on the assumption that all Capital Commitments have been funded) (the "Largest Member") shall designate the remaining two members of the Executive Committee; provided, however, that if the Member having the second largest number of Membership Units (the "Second Largest Member") has Membership Units in excess of 50 percent of the number of Membership Units of the Largest Member, such two Members shall each designate one member of the Executive Committee. If a Commisso Member or an Affiliate thereof is then serving as Manager, in no event shall a Commisso Member be the Largest Member or the Second Largest Member. In the event that, but for the immediately preceding sentence, the Commisso Member would be either the Largest Member or the Second Largest Member, the Member having the next largest number of Membership Units will be the Largest Member or the Second Largest Member, as the case may be. Except as provided above, each Member having the right to make a designation of a representative to the Executive Committee shall have complete discretion with respect to the designation of its representative and any change in such representation shall become effective upon receipt of written notice thereof by the Company.

(c) The presence of four members of the Executive Committee shall constitute a quorum for the transaction of business or any specified item of business requiring a vote. If a quorum shall not be present at any meeting of the Executive Committee requiring a vote, the meeting may adjourn from time to time, without notice other than announcement at the meeting, until a quorum shall be present. The Executive Committee shall act at meetings thereof duly convened and held as provided in this Agreement. Each representative shall have one vote, and, subject to Section 5.7(b), the vote of a majority of the members of the Executive Committee shall be the act of the Executive Committee.

(d) Any one or more members of the Executive Committee may participate in a meeting thereof by means of conference telephone or similar communications equipment allowing all Persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting. Any Person appointed by a Member to serve as a representative on the Executive Committee may, by an instrument in writing, authorize another member of the Executive Committee to act as such representative's proxy at any meeting or meetings or by written consent and to vote on behalf of such representative. Any action required or permitted by this Agreement to be taken by the Executive Committee may be taken if all members of such Committee consent in writing to the adoption of a resolution authorizing the action. Such resolution and the written consents thereto shall be filed with the minutes of the proceedings of the Executive Committee.

(e) Regular informational meetings of the Executive Committee may be held upon at least 24 hours notice at such time and at such place, but no less often than quarterly, as shall from time to time be determined by the Manager. Additional informational meetings shall take place as and where needed.

(f) Special meetings of the Executive Committee may be called by any member thereof on five days' notice to the other members either personally or by facsimile at such address as shall be specified in writing by each representative for purposes of notice, which notice shall specify the time, place and purpose of such meeting. Notwithstanding the foregoing, in case of exigency, special voting meetings may be called on such shorter notice, given as aforesaid or by telephone, as the Executive Committee members may agree upon.

(g) Any action taken by an Executive Committee member shall be deemed to have been duly authorized by the Member appointing such member. The resignation or removal of a member of the Executive Committee shall not invalidate any act of such member taken before the giving of written notice of the removal or resignation of such member.

(h) Each Member designating a member of the Executive Committee, each Executive Committee member, and their respective Affiliates may have other business interests and may engage in other activities in addition to those relating to the Company. Such Persons may make direct or indirect investments in Systems or entities offering telecommunications services, provided that if such investment is not a passive one and requires management by such Person (if such Person is other than a commercial or investment bank or other financial institution), such Person shall first offer to the Company the opportunity to make the investment. The Company shall have thirty days in which to determine whether to make such investment and if it so determines, the Company shall proceed diligently to prepare a contract of purchase and sale customary for transactions of the type contemplated and to consummate the transaction. In the event such transaction is consummated, the Person, if other than the Manager or an Affiliate of the Manager, making the offer shall be reimbursed for its expenses incurred and, in addition, shall be paid one-half of the fee described in Section 5.13(a) hereof, with the other one-half of said fee being paid as set forth in Section 5.13(a). Each Member designating a member of the Executive Committee and each Executive Committee member shall incur no liability to the Company or any Member as a result of engaging in such other business interests or activities. The provisions of the second, third and fourth sentences of this Section 5.5(h) shall not apply to activities of Members subsequent to December 31, 2004.

5.6 MATTERS REQUIRING EXECUTIVE COMMITTEE REPORT. The following matters shall be reported upon or information delivered by the Manager at the quarterly informational meetings of the Executive Committee:

(i) the general status of the business and the Systems;

(ii) copies of all projections delivered to the lenders of the Company or its Subsidiaries in connection with proposed acquisitions or refinancings by the Company or its Subsidiaries;

(iii) copies of all regular reports to management submitted by the independent auditors for the Company;

(iv) the financial status of the Company, including amounts of projected Capital Calls and the incurrence, renewal or refinancing of indebtedness for borrowed money by the Company;

(v) the status of any Subsidiary;

(vi) the status of any proposed acquisition;

(vii) the status of any litigation or any other legal or regulatory proceeding;

(viii) the engagement of counsel, independent accountants or other professional advisors; and

(ix) any matter expressly stated in this Agreement to be subject to approval of the Executive Committee.

5.7 ACTIONS REQUIRING EXECUTIVE COMMITTEE APPROVAL. (a) Each member of the Executive Committee shall have one vote. The following matters shall require approval of a majority of the members of the Executive Committee and such action shall not be taken by the Company on its own behalf or on behalf of any Subsidiary, as the case may be, without such approval:

(i) individual acquisitions of Subsidiaries or Systems requiring a Capital Call exceeding $10 million or having a purchase price exceeding $40 million;

(ii) any Capital Call exceeding $8 million not involving an acquisition;

(iii) financing transactions increasing the aggregate indebtedness of the Company and its Subsidiaries by $40 million or more;

(iv) dispositions of properties having a sale price exceeding $40 million;

(v) a single transaction or proposed set of similar transactions with Affiliates of the Manager or the Company exceeding $1 million other than as permitted in Section 5.13 of this Agreement.

(vi) offerings of Membership Units or other equity interests in the Company, and any amendments to this Agreement necessary or desirable to complete the offering;

(vii) the determination of the equity value of the Company upon the occurrence of certain events as described in and pursuant to Section 8.5 of this Agreement;

(viii) except as set forth in Section 12.1(a) of this Agreement, proposed transfers by Members of Membership Units exceeding 5,000;

(ix) the resolution of conflicts of interest between the Company and any Affiliate of the Company, including the Manager;

(x) the merger or consolidation of the Company with or into any other business entity;

(xi) (A) the voluntary commencement of any proceeding or the voluntary filing of any petition seeking relief under any bankruptcy, insolvency, receivership or similar law, (B) the consent to the institution of, or causing the Company to fail to contest in a timely and appropriate manner, any involuntary proceeding or any involuntary filing of any petition of the type described in subclause (A) above, (C) the application for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Company or for a substantial part of the property or assets of the Company, (D) the filing of an answer admitting the material allegations of a petition filed against the Company in any such proceeding, (E) the consent to any order for relief issued with respect to any such proceeding, (F) the making of a general assignment for the benefit of creditors, (G) the admission in writing the inability of the Company or causing the Company to fail generally to pay its debts as they become due or (H) the taking of any action for the purpose of effecting any of the foregoing; or

(xii) any other matter expressly stated in this Agreement to be subject to approval of the Executive Committee.

(b) An Executive Committee member shall not be obligated to abstain from voting on any matter (or vote in any particular manner) because of any interest (or conflict of interest) of such representative or the Member designating such representative (or any Affiliate thereof) in such matter;

provided, however, that (i) the interest (or conflict of interest) of such representative, Member or Affiliate is disclosed to the other representatives prior to any vote; and (ii) the monetary or business consideration arising in connection with the proposed transaction would be comparable and substantially as advantageous to the Company as in a comparable transaction with a Person not an Affiliate. Such matter shall not be approved by the Executive Committee without the affirmative vote of at least 50% of the Executive Committee members not having any interest (or conflict of interest) in such matter.

5.8 EXPANSION OF EXECUTIVE COMMITTEE. In the event:

(a) of the bankruptcy, death, dissolution, removal, legal incapacity or resignation of the Manager or the occurrence of any other event that terminates the membership of the Manager;

(b) that the Manager for any reason is no longer the chief executive officer and controlling shareholder of Mediacom Management while any Management Agreement is in effect;

(c) that the Company has not disposed of its assets and redeemed the Membership Units of the non-Commisso Members within two years of the date on which the Members have approved a disposition pursuant to Section 6.8 of this Agreement; or

(d) that the System Cash Flow for any two consecutive fiscal quarters is less than 80 percent of the projected System Cash Flow for such periods in the projections most recently submitted by the Company to lenders of the Company or its Subsidiaries in connection with proposed acquisitions or refinancings by the Company or its Subsidiaries and reported to the Executive Committee under clause (ii) of Section 5.6 of this Agreement;

the number of representatives on the Executive Committee shall be increased to seven. The Commisso Members shall designate three members and the non-Commisso Members shall have the right to designate four members of the Executive Committee. The Largest Member shall designate the additional two members of the Executive Committee; provided, however, that if the Second Largest Member has Membership Units in excess of fifty percent (50%) of the number of Membership Units of the Largest Member, such two Members shall each designate one additional member of the Executive Committee. If any Member having the right to designate a member of the Executive Committee fails to do so, such right shall apply to the Member that has, together with its Affiliates, the next largest number of Membership Units that has not designated a member of the Executive Committee. The quorum for a meeting of the expanded Executive Committee shall be four. The matters requiring approval of the Executive Committee pursuant to Section 5.7 hereof based upon dollar value shall be expanded to include all matters involving fifty (50%) percent or more of the dollar values set forth in Section 5.7. The size and approval rights of the Executive Committee shall continue as set forth in this Section 5.8 for so long as the conditions described in clauses (a), (b) or (c) above continue. The size and approval rights of the Executive Committee resulting from a condition described in clause (d) above shall continue as set forth in this Section 5.8 until the System Cash Flow for two consecutive fiscal quarters exceeds 80 percent of the projected System Cash Flow provided by the Company to lenders of the Company or its Subsidiaries in connection with proposed acquisitions or refinancings by the Company and reported to the Executive Committee under clause (ii) of Section 5.6 of this Agreement.

5.9 LIABILITY FOR CERTAIN ACTS. The Manager shall perform his duties in good faith, in a manner he reasonably believes to be in the best interests of the Company and with such care as an ordinarily prudent person in a similar position would use under similar circumstances. A Manager who so performs such duties shall not have any liability by reason of being or having been a Manager. The Manager shall not be liable to the Company or any Member for any loss or damage sustained by the Company or any Member, unless the loss or damage shall have been the result of the gross negligence or willful misconduct of such Manager. Without limiting the generality of the preceding sentence, a Manager does not in any way guaranty the return of any Capital Contribution to a Member, or the distribution of the Preferred Return or any profit for the Members from the operations of the Company.

5.10 NO EXCLUSIVE DUTY TO COMPANY. The Manager shall not be required to manage the Company as his sole and exclusive function and may have other business interests and may engage in other activities in addition to those relating to the Company; provided, that the Manager shall be actively involved in, and shall devote substantially all of his business time to, the management of the business and operations of the Company and its subsidiaries (it being understood that if the Manager is a Commisso Entity of which Rocco B. Commisso is the chief executive officer, the aforesaid undertaking as to devotion of substantially all of his business time shall continue to apply to Mr. Commisso). The Manager may make direct or indirect investments in Systems, or entities offering telecommunications services, provided that if such investment is not a passive one and requires management by a Commisso Member, the Manager shall first offer to the Company the opportunity to make the investment. The Manager shall incur no liability to the Company or any Member as a result of engaging in such other business interests or activities.

5.11 RESIGNATION. The Manager may resign at any time by giving written notice to the Company. The resignation of any Manager shall take effect upon the qualification of a successor Manager pursuant to Section 5.2. Unless otherwise specified in such notice, the acceptance of the resignation shall not be necessary to make it effective. The resignation of a Manager who is also a Member shall not affect the Manager's rights as a Member and shall not constitute a withdrawal of a Member.

5.12 REMOVAL. The Manager may be removed or replaced in the event of his gross negligence or willful misconduct by the vote or written consent of the holders of at least two thirds of the Membership Units. In determining the vote of Membership Units outstanding for purposes of the first sentence of this Section 5.12, Membership Units held by the Manager shall not be included. The removal of a Manager who is also a Member shall not affect the Manager's rights as a Member and shall not constitute a withdrawal of such Member.

5.13 COMPENSATION. The Manager or an Affiliate thereof (including Mediacom Management) performing services for the Company, any Subsidiary, or any other Person in which the Company directly or indirectly invests shall be compensated for such services as follows:

(a) a fee of one (1%) percent of the value of further acquisitions made directly or indirectly by the Company, payable upon consummation of such acquisitions, in connection with the direct or indirect investment by the Company in Systems or entities providing telecommunications services, such fee to be payable with respect to acquisitions made by the Company until such time as the *pro forma* annual consolidated operating revenues of the Company and its Subsidiaries equal $75 million, and one-half (0.5%) of one percent of the value of such acquisitions thereafter;

(b) reimbursement for reasonable out-of-pocket expenses incurred in connection with (i) the operation of the business of the Company and its Subsidiaries, including without limitation, travelling to and visiting the Systems of the Company and its Subsidiaries, and (ii) investigating, analyzing, negotiating or otherwise acting for or on behalf of the Company or its subsidiaries in connection with any potential acquisition by the Company or its Subsidiaries of a System; *provided, however*, that no such reimbursement shall be made for (x) compensation, including salaries, withholding taxes, unemployment insurance contributions, pension, health and other benefits of executive management personnel (all such compensation being herein collectively called "*Executive Compensation*") or (y) overhead allocated in respect of the executive management of the business or operations of the Company or any of its subsidiaries, including rent, utilities, telephone and telecopy charges, furniture, fixtures and the like; and

(c) an ongoing annual management fee (in the aggregate for the Manager and all of his Affiliates) of five (5%) percent of the first $50 million of the consolidated annual gross operating revenues of the Company and its Subsidiaries; four and one-half (4.5%) percent of the consolidated annual gross operating revenues of the Company and its Subsidiaries in excess of $50 million and less than or equal to $75 million; and four (4%) percent of the consolidated annual gross operating revenues of the Company and its Subsidiaries in excess of $75 million, such fee to be substantially on the terms set forth in the Management Agreement between each Subsidiary and Mediacom Management, subject to any restrictions or limitations of any loan agreements to which such Subsidiary is a party as a borrower, it being understood that neither the Company nor any of its Subsidiaries shall pay compensation to any executive management personnel (or pay any Person, other than Mediacom Management, in respect of executive management personnel or matters, for the Company or any of its Subsidiaries), it being the intention of the parties hereto that the compensation of all executive management personnel required in connection with the business or operations of the Company and its Subsidiaries shall be paid by Mediacom Management (and that the Executive Compensation for such employees shall be covered by the fees described in this Section 5.13). Various portions of the fee described in this Section 5.13(c) may be paid by the Company and the Subsidiaries, but the aggregate of such fees paid by the Company and the Subsidiaries shall not exceed the amounts described hereinabove.

For purposes hereof, "executive management personnel" shall not include any individual (such as a system or regional employee) who, other than for minimal duties, is employed principally in connection with the day-to-day management and operations of one or more Systems or one or more geographic regions of the Company or its Subsidiaries.

Except as described in this Section 5.13, neither the Company nor any of its Subsidiaries shall pay, or reimburse any Person for paying, any fees or expenses (including out-of-pocket expenses or allocated overhead), in respect of the executive management of the business or operations of the Company or any of its Subsidiaries.

5.14 OFFICERS. The Manager may designate one or more individuals as officers of the Company and its Subsidiaries, who shall have such titles and exercise and perform such powers and duties as shall be assigned to them from time to time by the Manager. Any officer may be removed by the Manager at any time, with or without cause. Each officer shall hold office until his or her successor is elected and qualified. Any number of offices may be held by the same individual. The salaries and other compensation of the officers shall be fixed by the Manager. Officers of the Company shall hold the same office in each Subsidiary. Each Subsidiary may have additional officers as necessary or desirable for the purpose of local management of Systems.

5.15 CERTAIN COVENANTS OF THE MANAGER AND THE MEMBERS. Anything herein to the contrary notwithstanding: (i) other than in connection with an acquisition under the terms of which the seller shall retain an ownership interest in the acquired System or entity providing telecommunications services, at least 99% of the aggregate equity interests in Mediacom California, Mediacom Arizona, Mediacom Delaware and Mediacom Southeast shall at all times be owned directly by the Company; (ii) other than in connection with an acquisition under the terms of which the seller shall retain an ownership interest in the acquired System or entity providing telecommunications services, each Subsidiary other than Mediacom California, Mediacom Arizona, Mediacom Delaware and Mediacom Southeast shall be directly or indirectly wholly-owned by the Company; (iii) other than in connection with an acquisition under the terms of which the seller shall retain an ownership interest in the acquired System or entity providing telecommunications services, each System or Subsidiary acquired directly or indirectly by the Company after the date hereof shall be wholly-owned by the Company and/or one or more of its Subsidiaries; (iv) the terms of each Management Agreement currently in effect shall remain in full force and effect; (v) each acquired System or new Subsidiary, as appropriate, shall enter into a Management Agreement in the form of, and providing for the compensation set forth in, Section 5.13 of this Agreement; (vi) the Manager shall cause the Commisso Members to hold directly or indirectly at least 3,300 Membership Units for so long as any Commisso Member is Manager; and (vii) the Company and its Subsidiaries shall not enter into any loan or other agreement with respect to indebtedness that would prohibit performance of its obligations under this Agreement or that would cause performance of its obligations under this Agreement to result in a default (or, except with respect to a refinancing, an obligation to prepay any indebtedness) under any other agreement providing for indebtedness of the Company.

5.16 MANAGER'S RIGHT OF FIRST OFFER.

(a) In the event the Executive Committee or the Members determine to sell one or more Systems or entities providing telecommunications services, one or more Subsidiaries, or the Company's assets, the Company shall grant to the Manager and his

Affiliates the right of first offer with respect to such properties.

(b) Within 30 days of a determination to sell, the Manager shall have the right to present to the Members an offer including the purchase price and the other substantive terms and conditions of the offer.

(c) 30 days after delivery of the Manager's offer to the Members, the Company shall hold a meeting at which a vote of the majority of the Membership Units not held by the Commisso Members shall accept or reject the offer.

(d) If the Manager's offer is accepted, the Company (acting through the Executive Committee) and the Manager (acting on behalf of the buyer) shall proceed diligently to prepare a contract of purchase and sale customary for transactions of the type contemplated and to consummate the transaction on the terms and conditions of the accepted offer.

(e) If the Manager's offer is rejected, the members of the Executive Committee that do not have conflicts of interest (or a committee designated by such members of the Executive Committee) shall for a period of 120 days proceed diligently to solicit in a commercially reasonable manner offers from prospective buyers, which may include any Member or its Affiliates.

(f) If within such 120-day period the Company receives a *bona fide* offer from a qualified buyer on terms at least as favorable as the Manager's offer and providing for a purchase price (net of brokerage commissions) of not less than 105% of the Manager's offer for the offered properties, the members of the Executive Committee who conducted the bidding process (or committee appointed by such members) shall proceed diligently on behalf of the Company to negotiate a contract of purchase and sale customary for transactions of the type contemplated and to consummate the transaction on the terms and conditions of the accepted offer. If no such offer is received or the Company is unable to negotiate a contract of purchase and sale on terms acceptable to the Company, the members of the Executive Committee that conducted the bidding process shall either (i) accept the Manager's offer and proceed as set forth in Section 5.16(d) above, or (ii) reject the Manager's offer and the Company shall continue to operate the System or entity unless the sale was being conducted as a result of a vote of the Members under Section 6.8(b), in which event the Company and the Manager shall proceed as set forth in Section 5.16(d) above.

(g) If for any reason a sale to a third party is not completed, the sale of such properties shall again be subject to the terms of this Section 5.16.

5.17 ACTIONS OF THE MANAGER. The Members ratify and approve the execution and delivery by the Manager, on behalf of the Company itself or on behalf of the Company as a member of Mediacom California, Mediacom Arizona, Mediacom Delaware and Mediacom

Southeast, of the following: The Articles of Organization and the Operating Agreement of Mediacom Delaware; the Articles of Organization and the Operating Agreement of Mediacom Southeast; the Asset Purchase Agreement, dated as of December 24, 1996, between American Cable TV Investors 5, Ltd. and the Company, the assignment of said Asset Purchase Agreement by the Company to Mediacom Delaware and the further instruments executed pursuant to said Asset Purchase Agreement; the Asset Purchase Agreement, dated as of May 22, 1997, between CoxCom, Inc. and Mediacom California and the further instruments executed pursuant to said Asset Purchase Agreement; the Asset Purchase Agreement, dated as of September 17, 1997, between Jones Cable Income Fund I-B/C Venture and Mediacom California and the further instruments to be executed pursuant to said Asset Purchase Agreement; the Asset Purchase Agreement relating to the U.S. Cable Acquisition, the assignment of said Asset Purchase Agreement by the Company to Mediacom Southeast and the further instruments to be executed pursuant to said Asset Purchase Agreement; the Management Agreements between Mediacom Management and each of Mediacom California, Mediacom Arizona, Mediacom Delaware and Mediacom Southeast; the Credit Agreement and the further instruments to be executed pursuant to the Credit Agreement; the Secured Promissory Note to be made by the Company to The Chase Manhattan Bank in the principal amount of $10,500,000, and the unsecured promissory note to be made by the Company to The Chase Manhattan Bank in the principal amount of $9,500,000, each to fund, in part, the payment by Mediacom Southeast of the purchase price for the U.S. Cable Acquisition and the further instruments to be executed in connection with said Secured Promissory Note; and approve the form of the instruments to be executed by the Company in connection with the private offering by the Company of notes to be issued pursuant to Rule 144A under the Securities Act (including the preparation of an Offering Memorandum covering such offering and the formation of a wholly-owned subsidiary to act as co-obligor under such notes) to fund, in part, the payment by Mediacom Southeast of the purchase price for the U.S. Cable Acquisition. The Members further ratify and approve the aggregate equity valuations of the Company previously presented to and approved by the Executive Committee, the issuances of additional Membership Units and related Percentage Interests as a result of such valuations, as set forth on Schedule B hereto. In addition, the Members ratify all acquisition fees pursuant to Section 5.13(a) of this Agreement in accordance with the detail and calculations previously presented to the Executive Committee.

5.18 ORGANIZATIONAL AND OTHER CHANGES IN CONNECTION WITH INITIAL PUBLIC OFFERING. In connection with a determination of the Executive Committee to cause the Company to effect an initial public offering of its equity securities, the Executive Committee, at its option, may require the Manager (i) to form a corporation or other entity under the laws of any state that the Manager deems appropriate and (ii) to cause the Company to transfer to such corporation or other entity all of the assets of the Company, and have such corporation or other entity assume all of the liabilities of the Company (whether effected through a merger or otherwise). Each Member of the Company shall take such steps to effect the initial public offering as may be requested by the Manager, including, without limitation, consenting to and/or voting in favor of any necessary or desirable recapitalization, reorganization or exchange and transferring such Member's interests in the Company to such corporation or other entity in connection with any such recapitalization, reorganization or exchange involving equity interests of such corporation or other entity. In connection with the decision to effect an initial public offering, regardless of whether the Company is continued as a limited liability company, the Executive Committee, acting by a vote of no less than two-thirds of the Membership Units then outstanding, and with the assistance of such valuation experts as it may retain (with such number of outstanding Membership Units to give effect to the equity valuation and new ownership structure of the Company as determined by such experts), shall propose a uniform equity and economic structure for the publicly held entity which, at that time, affords to the Commisso Members the then present value of the allocation, distribution and valuation provisions and other economic benefits of this Agreement that apply only to the Commisso Members and their Affiliates. Such uniform equity and economic structure, upon acceptance by the Commisso Members, shall apply to the publicly held entity. The Executive Committee shall also then propose, with the assistance of such valuation experts, a managerial and executive control structure for the publicly held entity which, at such time, affords to the Executive Committee, as then in effect, and to the Manager and its Affiliates the same managerial and executive rights, powers and duties in effect at such time. Such managerial and executive control structure, upon acceptance by the Executive Committee and the Manager, shall apply to the publicly held entity.

ARTICLE VI

MEETINGS OF MEMBERS

6.1 MEETINGS. Commencing in 1998, an annual meeting of the Members shall be held during the second quarter of each Fiscal Year of the Company and at such other times as shall be determined by the Manager for the purpose of the transaction of any business as may come before such meeting.

6.2 SPECIAL MEETINGS. Special meetings of the Members, for any purpose or purposes, may be called by the Manager, the Executive Committee or by Members holding 25 percent or more of the Percentage Interests.

6.3 PLACE OF MEETINGS. Meetings of the Members may be held at any place, within or outside the State of New York, for any meeting of the Members designated in any notice of such meeting. If no such designation is made, the place of any such meeting shall be the principal office of the Company.

6.4 NOTICE OF MEETINGS. Written or oral notice stating the place, day and hour of the meeting indicating that it is being issued by or at the direction of the Person or Persons calling the meeting, stating the purpose or purposes for which the meeting is called shall be delivered no fewer than five nor more than sixty days before the date of the meeting.

6.5 RECORD DATE. For the purpose of determining the Members entitled to notice of or to vote at any meeting of Members or any adjournment of such meeting, or Members entitled to receive payment of any Distribution, or to make a determination of Members for any other purpose, the date on which notice of the meeting is mailed or the date on which the resolution declaring Distribution is adopted, as the case may be, shall be the record date for making such a determination. When a determination of Members entitled to vote at any meeting of Members has been made pursuant to this Section, the determination shall apply to any adjournment of the meeting.

6.6 QUORUM. Members holding not less than a majority of all Membership Units, represented in person or by proxy, shall constitute a quorum at any meeting of Members. In the absence of a quorum at any meeting of Members, a majority of the Membership Units so represented may adjourn the meeting from time to time for a period not to exceed sixty days without further notice. However, if the adjournment is for more than sixty days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each Member of record entitled to vote at such meeting. At an adjourned meeting at which a quorum shall be present or represented, any business may be transacted that might have been transacted at the meeting as originally noticed. The Members present at a meeting may continue to transact business until adjournment, notwithstanding the withdrawal during the meeting of Membership Units whose absence results in less than a quorum being present.

6.7 MANNER OF ACTING. If a quorum is present at any meeting, the vote or written consent of Members holding not less than a majority of Membership Units shall be the act of the Members unless the vote of a greater or lesser proportion or number is otherwise required by the New York Act, the Articles of Organization or this Agreement.

6.8 ACTIONS REQUIRING APPROVAL OF THE MEMBERS. The following matters shall require approval of Members holding no less than two-thirds of the Membership Units entitled to vote and such action shall not be taken by the Company on its own behalf or on behalf of any Subsidiary, as the case may be, without such approval:

(a) the disposition of substantially all of the assets of the Company on or prior to December 31, 2004 (for which the Manager's approval shall also be necessary except when the Members have not elected to continue the business of the Company following the bankruptcy, dissolution, death, legal incapacity, removal or resignation of the Manager);

(b) the disposition of substantially all of the assets of the Company after December 31, 2004;

(c) the amendment of this Agreement (other than as set forth in Section 16.2 of this Agreement);

(d) a material change to the business purposes of the Company;

(e) offerings of Membership Units or other equity interests in the Company pursuant to Section 5.18 of this Agreement, and any amendments to this Agreement necessary or desirable to complete the offering; and

(f) the continuation of the business of the Company following the bankruptcy, dissolution, death, legal incapacity, removal or resignation of the Manager.

6.9 PROXIES.

(a) A Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact.

(b) Every proxy must be signed by the Member or its attorney-in-fact. No proxy shall be valid after the expiration of eleven months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it, except as otherwise provided in this Section.

(c) Except when other provision shall have been made by written agreement between the parties, the record holder of a Membership Unit which he, she or it holds as pledgee or otherwise as security or which belongs to another, shall issue to the pledgor or to such owner of such Membership Unit, upon demand therefor and payment of necessary expenses thereof, a proxy to vote or take other action thereon.

(d) A proxy which is entitled "irrevocable proxy" and which states that it is irrevocable, is irrevocable when it is held by (i) a pledgee, (ii) a Person who has purchased or agreed to purchase the Membership Units, (iii) a creditor or creditors of the Company which extend or continue credit to the Company in consideration of the proxy if the proxy states that it was given in consideration of such extension or continuation of credit, the amount thereof, and the name of the Person extending or continuing credit, (iv) a Person who has contracted to perform services as an officer of the Company, if a proxy is required by the contract of employment, if the proxy states that it was given in consideration of such contract of employment, the name of the employee and the period of employment contracted for, or (v) a nominee of any of the Persons described in clauses (i)-(iv) of this sentence.

(e) Notwithstanding a provision in a proxy stating that it is irrevocable, the proxy becomes revocable after the pledge is redeemed, or the debt of the Company is paid, or the period of employment provided for in the contract of employment has terminated and, in a case provided for in Section 6.9(d)(iii) or (iv) of this Agreement, becomes revocable three years after the date of the proxy or at the end of the period, if any, specified therein, whichever period is less, unless the period of irrevocability is renewed from time to time by the execution of a new irrevocable proxy as provided in this Section. This paragraph does not affect the duration of a proxy under paragraph (b) of this Section.

(f) A proxy may be revoked, notwithstanding a provision making it irrevocable, by a purchaser of a Membership Unit without knowledge of the existence of such proxy.

6.10 ACTION BY MEMBERS WITHOUT A MEETING.

(a) Whenever the Members of the Company are required or permitted to take any action by vote, such action may be taken without a vote following ten days' prior written notice to all Members, if a consent or consents in writing, setting forth the action so taken shall be signed by the Members who hold the voting interests having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all of the Members entitled to vote therein were present and voted and shall be delivered to the office of the Company, its principal place of business or a Manager, employee or agent of the Company having custody of the Records. Delivery made to the office of the Company shall be by hand or by certified or registered mail, return receipt requested.

(b) Every written consent shall bear the date of signature of each Member who signs the consent, and no written consent shall be effective to take the action referred to therein unless, within sixty days of the earliest dated consent delivered in the manner required by this Section 6.10 to the Company, written consents signed by a sufficient number of Members to take the action are delivered to the Company at its principal place of business or directly to a Manager, employee or agent of the Company having custody of the records of the Company. Delivery made to such principal place of business of the Company or to such Manager, employee or agent shall be by hand or by certified or registered mail, return receipt requested.

(c) Prompt notice of the taking of the action without a meeting by less than unanimous written consent shall be given to each Member who has not consented in writing but which would have been entitled to vote thereon had such action been taken at a meeting.

6.11 WAIVER OF NOTICE. Notice of a meeting need not be given to any Member who submits a signed waiver of notice, in person or by proxy, whether before or after the meeting. The attendance of any Member at a meeting, in person or by proxy, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice by such Member.

6.12 VOTING AGREEMENTS. An agreement between two or more Members, if in writing and signed by the parties thereto, may provide that in exercising any voting rights, the Membership Units held by them shall be voted as therein provided, or as they may agree, or as determined in accordance with a procedure agreed upon by them.

ARTICLE VII

CAPITAL CONTRIBUTIONS

7.1 CAPITAL CONTRIBUTIONS. Each Member has contributed the amount set forth in Schedule A to this Agreement as the Capital Contribution to be made by such Member.

7.2 CAPITAL CONTRIBUTIONS AND CAPITAL CALLS; ALLOCATIONS. (a) At any time and from time to time during a Commitment Period with respect to any Member while there is an Unfunded Capital Commitment with respect to such Member, the Manager may make capital calls with respect to all or any portion of not less than five (5%) percent of such Member's Unfunded Capital Commitment (each, a "Capital Call"). All Capital Calls shall be issued pro rata to all Members having Unfunded Capital Commitments in proportion to their respective Unfunded Capital Commitments except as noted in the following sentence. If legal or regulatory restrictions applicable to a Member result in or, in the Manager's judgment, can reasonably be expected to result in a Member's acquisition of additional Membership Units being or becoming illegal, (i) the Manager may limit or otherwise condition or elect not to make a Capital Call to such Member and (ii) the Manager, on behalf of the Company, and the affected Member may elect to terminate such Member's Unfunded Capital Commitment. A Capital Call shall specify the date (which shall be no earlier than 10 business days following the Capital Call), place and amount of the required contribution (each such contribution, an "Additional Capital Contribution"). Each Member having Unfunded Capital Commitments agrees to comply with the terms of each Capital Call.

(b) In the event a Member fails to make an Additional Capital Contribution as and when due (a "Nonfunding Member"), the Manager will send notice of such default to such Nonfunding Member demanding the payment of the Additional Capital Contribution together with interest at the prime commercial lending rate of interest of The Chase Manhattan Bank plus five (5%) percent. If the Nonfunding Member fails to remit the Additional Capital Contribution and interest thereon within 15 days of the date of the notice and demand, the Manager may proceed at law for damages or at equity for specific performance of such defaulting Member's obligations. Each Member agrees that it shall be liable for consequential damages to the Company arising from the lack of timely payment of an Additional Capital Contribution. In addition, the Nonfunding Member will be deemed to have forfeited its rights to vote, to receive Distributions and to designate any representative to the Executive Committee. Further, the Company shall have the option to acquire the Membership Units of the Nonfunding Member for fifty (50%) percent of the equity value most recently determined under Section 8.5 of this Agreement, less the interest accrued on the Unfunded Capital Commitment, the costs of attempted collection, and the costs in connection with acquiring the Membership Units. Upon exercise of the option, the interest of the Member shall terminate.

7.3 CAPITAL ACCOUNTS. A Capital Account shall be maintained for each Member in accordance with Section 9.2.

7.4 TRANSFERS. Upon a permitted sale or other transfer of Membership Units in the Company, the Capital Account relating to such transferred Membership Units shall become the Capital Account of the Person to which or whom such Membership Units are sold or transferred in accordance with Section 9.2(e).

7.5 MODIFICATIONS. The manner in which Capital Accounts are to be maintained pursuant to this Agreement is intended to comply with the requirements of Section 704(b) of the Code. If in the opinion of the Manager, on the advice of the Company's accountants, the manner in which Capital Accounts are to be maintained pursuant to this Agreement should be modified to comply with Section 704(b) of the Code, then the method in which Capital Accounts are maintained shall be so modified; *provided, however*, that any change in the manner of maintaining Capital Accounts shall not materially alter the economic agreement between or among the Members as expressed in this Agreement without the consent of each Member.

7.6 DEFICIT CAPITAL ACCOUNT. Except as otherwise required in the New York Act or this Agreement, no Member shall have any liability to restore a deficit balance in a Capital Account, in excess of the amount of any indebtedness of the Company for which such Member is liable. Any Member liable for indebtedness of the Company shall be liable to restore the lesser of its deficit Capital Account or the amount of indebtedness of the Company for which such Member is liable. Such restoration shall be made at the time of dissolution of the Company.

7.7 WITHDRAWAL OR REDUCTION OF CAPITAL CONTRIBUTIONS. A Member shall not receive from the Company any portion of a Capital Contribution until all indebtedness, liabilities of the Company, except any indebtedness, liabilities and obligations to Members on account of their Capital Contributions, have been paid or there remains property of the Company, in the sole discretion of the Manager, sufficient to pay them. A Member, irrespective of the nature of the Capital Contribution of such Member, has only the right to demand and receive cash in return for such Capital Contribution.

7.8 No Rights of Redemption or Return of Contribution. Except as provided in this Agreement, no Member has a right to have its Membership Units redeemed or its Capital Contributions returned prior to the dissolution of the Company.

ARTICLE VII

PROFITS, LOSSES AND DISTRIBUTIONS;
ADJUSTMENTS FOR THE ISSUANCE OF MEMBERSHIP UNITS

8.1 ALLOCATION OF PROFITS AND LOSSES.

(a) Profits for each Accounting Period shall be allocated among the Members as follows:

(1) First, to the Members with deficit Capital Account balances at the end of such Accounting Period (but prior to any allocation of Profits pursuant to this Section 8.1(a)), in proportion to such deficits, until such deficits are reduced to zero;

(2) Second, the amount by which the Members' aggregate Unreturned Preferred Capital exceeds the aggregate of their Capital Account balances at the end of such Accounting Period (after the allocation of Profits provided for in Section 8.1(a)(1), but prior to any other allocations of Profits pursuant to this Section 8.1(a)), shall be apportioned among the Members so as to first make Members' Capital Accounts correspond to their Percentage Interests and thereafter in proportion with their Percentage Interests;

(3) Third, the amount by which (i) the sum of the Members' aggregate Unreturned Preferred Capital and their aggregate Preferred Return exceeds (ii) the aggregate of their Capital Account balances at the end of such Accounting Period (after the allocation of Profits provided for in Sections 8.1(a)(1) and 8.1(a)(2), but prior to any other allocations of Profits pursuant to this Section 8.1(a)), shall be apportioned among the Members so as to first make Members' Capital Accounts correspond to their Percentage Interests and thereafter in proportion with their Percentage Interests;

(4) Fourth, to the Commisso Members in proportion to their Percentage Interests until amounts credited to the Capital Accounts of the Commisso Members pursuant to this clause (4) for the current and all previous Accounting Periods equals 25% of the amount credited to Capital Account balances of the Members, including the Commisso Members, for the current and all previous Accounting Periods pursuant to clause (3) above; and

(5) The balance, 80% to the Members (including the Commisso Members) in proportion to their Percentage Interests and 20% to the Commisso Members in proportion to their respective Membership Units.

(b) Losses for each Accounting Period (other than as set forth in Section 8.1(c) below) shall be allocated among the Members as follows:

(1) First, ninety-nine (99%) percent to the Commisso Members with positive Capital Account balances at the end of such Accounting Period (but prior to any allocation of Losses pursuant to this Section 8.1(b)(1)), in the aggregate amount (from the inception of the Company) of $3,245,000, and one (1%) percent to the remaining Members with positive Capital Account balances at the end of such Accounting Period (but prior to any allocation of Losses pursuant to this Section 8.1(b)(1)) in proportion to such positive Capital Account balances;

(2) Second, to any Members that have guaranteed a liability for indebtedness of the Company or any of its Subsidiaries, in the aggregate amount (from the inception of the Company) of the indebtedness so guaranteed, in proportion to the respective sums of each such Member's Capital Account balances at the end of such Accounting Period (after the allocation of Losses provided for in Section 8.1(b)(1) but prior to any other allocation of Losses pursuant to this Section 8.1(b));

(3) Third, to any Members with positive Capital Account balances at the end of such Accounting Period (after the allocation of Losses provided for in Section 8.1(b)(1) and 8.1(b)(2) but prior to any other allocation of Losses pursuant to this Section 8.1(b)), in proportion to such positive balances, until such positive balances are reduced to zero; and

(4) The balance, in proportion with the Members' Percentage Interests.

(c) With respect to the calendar year ending December 31, 1998, after the allocations set forth in clauses (1) and (2) above, and prior to the allocations set forth in clauses (3) and (4) above, up to $2,500,000 of Losses shall be allocated to the Largest Member. With respect to the calendar year ending December 31, 1998, all other allocations of Losses set forth in Section 8.1(b) shall apply.

8.2 DISTRIBUTIONS. All Distributions other than Distributions pursuant to Section 8.4 hereof shall be made in the following order of priority:

(a) First, Distributions shall be made to the Members including the Commisso Members in proportion to their respective Membership Units until each has received amounts in the aggregate equal to the Preferred Capital;

(b) Second, Distributions shall be made to the Members including the Commisso Members in proportion to their Unreturned Preferred Returns until each has received amounts in the aggregate equal to their Unreturned Preferred Return as of the date of such Distribution (applied first to any Preferred Return accrued in respect of the year in which such Distribution occurs and second to any other Preferred Return);

(c) Third, Distributions shall be made to the Commisso Members in proportion to their respective Membership Units until the Commisso Members have received amounts in the aggregate equal to 25% of all Distributions made to the Members, including the Commisso Members, pursuant to Section 8.2(b); and

(d) Fourth, Distributions shall be made 80% to the Members, including the Commisso Members, in proportion to their Percentage Interests and 20% to the Commisso Members in proportion to their respective Membership Units.

Subject to the terms of the Credit Agreement and any other loan or other agreement with respect to indebtedness to which the Company is obligated (as a borrower, guarantor or otherwise), the Manager shall use reasonable commercial efforts to make Distributions pursuant to this Section 8.2 in accordance with the priority set forth in paragraphs (a) through (d) during the first three months of each Accounting Period in an aggregate amount equal to at least 35% of the aggregate Profit allocated to the Members for the immediately preceding Accounting Period.

8.3 NO RIGHT TO DISTRIBUTIONS EXCEPT UPON DISSOLUTION OF THE COMPANY.

The occurrence of a Termination Event with respect to the Company does not entitle any Member to any Distributions unless such event results in the dissolution of the Company, in which case such Member shall be entitled to receive the Distributions set forth in Section 8.4.

8.4 DISTRIBUTIONS UPON DISSOLUTION OF THE COMPANY. Upon dissolution of the Company:

(a) The Company shall first satisfy (or provide for the satisfaction of) all the Company's debts and other obligations (including debts to Members, former Members and their Affiliates).

(b) The Company shall distribute its remaining assets to the Members and any former Members whose interests have not been previously redeemed as follows:

(1) First, to the Members in proportion to the amounts by which their Preferred Capital exceeds previous Distributions until each has received amounts in the aggregate equal to their Preferred Capital;

(2) Second, to the Members in proportion to their Percentage Interests until each has received amounts in the aggregate equal to the Unreturned Preferred Return as of the date of such Distribution (applied first to any Preferred Return accrued in respect of the year in which such Distribution occurs and second to any previously accrued Preferred Return);

(3) Third, to the Commisso Members in proportion to their respective Membership Units, the amount by which 25% of all Distributions made to Members, including the Commisso Members, with respect to the Preferred Return pursuant to Section 8.2(b) and clause (2) of this Section 8.4(b) exceeds the amount of all Distributions made to the Commisso Members pursuant to Section 8.2(c); and

(4) Fourth, 80% to the Members including the Commisso Members, in proportion to their Percentage Interests and 20% to the Commisso Members in proportion to their respective Membership Units.

(c) Notwithstanding the foregoing provisions of Section 8.4(b), upon the dissolution of the Company, all Distributions shall be made to the Members in proportion to the positive balances of such Members' Capital Account (after such Capital Accounts have been adjusted to take into account all events related to such dissolution) and (after all Members have a zero balance in their Capital Accounts) all Distributions shall be made as provided in Section 8.4(b).

8.5 VALUATION OF THE COMPANY. (a) The Executive Committee has previously determined the aggregate equity value of the Company giving effect to the closing of the U.S. Cable Acquisition and the Capital Contributions to finance such Acquisition. Pursuant to Section 5.17 of this Agreement, the Members have ratified and approved such valuation, the issuance of additional Membership Units and related Percentage Interests as a result of the valuations, as set forth on Schedule B hereto.

(b) The following Membership Units shall be issued on the basis of a Company valuation expressed as the aggregate value of the outstanding Membership Units after giving effect to the closing of the U.S. Cable Acquisition, as set forth on Schedule B hereto: (i) Membership Units, if any, issued in respect of Capital Contributions to be made prior to June 30, 1998 to the extent of the first one-third (1/3) of the Unfunded Capital Commitments as of January 23, 1998; and (ii) Membership Units, if any, issued in respect of Capital Contributions to be made to fund the purchase of any Excess Chase Units.

(c) Except as provided in clause (b) above, each Membership Unit to be issued in respect of Capital Contributions made prior to June 30, 1998 shall be issued on the basis of a new equity valuation of the Company, as determined by the Executive Committee in the manner set forth in clause (d) below.

(d) Upon the receipt by the Company after the later of (i) January 23, 1998, and (ii) the date of the most recent valuation of the Company under this clause (d), of funds in respect of Capital Contributions in an aggregate cumulative amount of at least $5,000,000, the Executive Committee shall determine the aggregate equity value of the Company at such time; provided, however, that the value so determined shall not be greater than

10.5 times the annualized System Cash Flow for the three month period most recently ended prior to such valuation date (giving pro forma effect to the acquisition of any System during such period as if such acquisition had occurred on the first day of such period), less the aggregate consolidated indebtedness for borrowed money of the Company and the Subsidiaries as of such valuation date; _provided, further_, that such determinations shall not be made more frequently than once during each Fiscal Year; and _provided, further_, that the Executive Committee, acting by unanimous vote of its members, may determine the aggregate equity value of the Company as it deems appropriate and at any such other times and as frequently as it may otherwise deem appropriate. Except as set forth in clause (e) below, the Company shall issue additional Membership Units to its Members based upon such determination, effective as of the date of such determination, as follows:

(1) First, Membership Units shall be issued to the Members in proportion to their respective Percentage Interests until each has received Membership Units representing a value equal to the Unreturned Preferred Return;

(2) Second, Membership Units shall be issued to the Commisso Members in proportion to their respective Membership Units until the Commisso Members have been issued Membership Units in the aggregate equal to 25% of all of the Membership Units issued to existing Members including the Commisso Members pursuant to clause (a) above; and

(3) Third, Membership Units shall be issued 80% to the Members including the Commisso Members in proportion to their respective Percentage Interests and 20% to the Commisso Members in proportion to their respective Membership Units.

Following such issuance:

(x) All calculations of Preferred Capital, Preferred Return, and Percentage Interests shall be based upon the Membership Units outstanding on the date of such issuance, and the amount of the Preferred Return shall be calculated from the date of such issuance; and

(y) The Members' Capital Accounts shall be adjusted in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(g) so that the balance of each Member's Capital Account shall equal the product of the number of Membership Units held by such Member times $1,000.

(e) In the event that following a valuation of the Company pursuant to Section 8.5(d) which results in the issuance of additional Membership Units to the Commisso Members pursuant to clauses (2) and/or (3) of Section 8.5(d) (the "_Specified Value_"), the aggregate equity value of the Company is later determined pursuant to Section 8.5(d) (other than as a consequence of a Distribution to Members) at an amount below the Specified Value, any issuances of additional Membership Units to the Commisso

Members under clauses (2) and (3) of Section 8.5(d) as a consequence of that or any later valuation pursuant to Section 8.5(d) shall be made only after the existing Members shall have received the full number of Membership Units issuable under clause (1) of Section 8.5(d). Thereafter, issuances of additional Membership Units shall be effected as set forth above.

ARTICLE IX

TAX MATTERS

9.1 TAX CHARACTERIZATION AND RETURNS.

(a) The Members acknowledge that the Company will be treated as a "partnership" for Federal and state tax purposes. All provisions of this Agreement and the Articles of Organization are to be construed so as to preserve that tax status.

(b) Within 135 days after the end of each Fiscal Year, the Manager will cause to be delivered to each Person who was a Member at any time during such Fiscal Year a Form K-1 and such other information, if any, with respect to the Company as may be necessary for the preparation of each Member's Federal or state income tax (or information) returns, including a statement showing each Member's share of income, gain or loss, and credits for the Fiscal Year.

9.2 CAPITAL ACCOUNTS.

(a) The Capital Account of each Member shall be <u>increased by</u>

(1) the amount of all Capital Contributions made by such Member (which amount, in the case of contributed property other than cash, shall be the Net Agreed Value thereof) and

(2) all Profit and each item of income and gain which is allocated to the Member pursuant to Section 8.1, 9.3(b), and 9.3(c) hereof (computed in each instance with the adjustments detailed in Section 9.2(b) below)

and <u>decreased by</u>

(x) all Loss and each item of loss and deduction which is allocated to the Member pursuant to Section 8.1, 9.3(b), and 9.3(c) (computed in each instance with the adjustments detailed in Section 9.2(b) below) and

(y) all cash and the Net Agreed Value of any property distributed by the Company to such Member pursuant to this Agreement.

(b) Solely for the purposes of maintaining the Members' Capital Accounts, the Profit or Loss of the Company and each item of income, gain, loss, or deduction which is specially allocated pursuant to Section 9.3(b) and 9.3(c) shall be adjusted as follows:

(1) Any income of the Company that is exempt from Federal income tax shall be added to such Profit or Loss;

(2) all deductions for depreciation, cost recovery, amortization, or similar items attributable to any property (other than cash) contributed by a Member to the Company shall be determined as if the Adjusted Basis of such property on the date of contribution was equal to the Carrying Value of such property on such date, in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(g);

(3) Any income, gain or loss attributable to the taxable disposition of any asset shall be determined by the Company as if the Adjusted Basis of such asset as of the date of disposition were equal to the Carrying Value of such asset as of such date;

(4) All fees and other expenses incurred by the Company to promote the sale of (or to sell) an interest that can neither be deducted nor amortized under Section 709 of the Code shall be treated as an item of deduction.

(c) The computation of all items of income, gain, loss, and deduction shall be made without regard to any adjustment in the basis of Company asset as a result of an election under Section 754 of the Code which may be made by the Company (except to the extent required by Treasury Regulation Section 1.704-1(b)(2)(iv)(m)) and, as to those items described in Section 705(a)(2)(B) of the Code, without regard to the fact that such items are neither currently deductible nor capitalizable for Federal income tax purposes; and

(d) In the event that any Distribution is made to a Member other than in cash (including liquidating Distributions), the Capital Accounts of the Members, immediately prior to such Distribution, shall be appropriately adjusted upward or downward to reflect any Unrealized Gain or Unrealized Loss attributable to the distributed property (determined on the basis of the fair market value of the property at the time of Distribution).

(e) A transferee will succeed to the Capital Account (or such portion thereof) relating to the interest transferred, and there shall be no adjustment to the Capital Accounts as a result of such transfer except as otherwise required under Treasury Regulation Section 1.704-1. If, however, the transfer causes a termination of the Company under Section 708(b)(1)(B) of the Code, the Company shall be deemed to have continued as prescribed by Treasury Regulation Sections 1.704-1 and 1.708(b)(1)(iv), and the Capital Accounts of the Members shall at such time be determined, and shall thereafter be maintained, in accordance with the rules set forth in this Agreement.

9.3 SPECIAL TAX RULES.

(a) *Special Rules Relating to Contributed Property*. Solely for tax purposes (and not for Capital Account purposes), in the case of any property (other than cash) included in a Capital Contribution, or that is held by the Company on the date any adjustment of Percentage Interest is made pursuant to Section 8.5, items of income, gain, loss, deduction, and credit attributable to such contributed property shall be allocated as follows:

(1) *first*, among the Members in a manner that takes into account the variation between the fair market value of such property and its Adjusted Basis at the time of contribution or adjustment of Percentage Interests (in accordance with Section 704(c) of the Code and applicable Treasury Regulations), and

(2) *thereafter*, in accordance with Section 8.1 and the other provisions of this Article.

(b) *Guaranteed Payments*. Notwithstanding the foregoing, in the event that any fees, interest, or other amounts paid or payable to any Member are deducted by the Company in reliance on Sections 707(a) or 707(c) of the Code, and such fees, interest, or other amounts are disallowed as deductions to the Company and are recharacterized as Company distributions, there shall be allocated to such Member, prior to the allocations provided in Section 8.1, an amount of Company gross income for the year in which such fees, interest, or other amounts are treated as Company distributions equal to such fees, interest, or other amounts so treated as distributions.

(c) *Special Overrides*. (1) Solely for purposes of determining a Member's Capital Account in applying the provisions of this clause (c), the anticipated adjustments, allocations, and distributions described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4)-(6) shall be taken into account, and each Member shall be deemed obligated to restore any deficit in its Capital Account to the extent of the sum of its share of the Minimum Gain, as determined pursuant to Treasury Regulation Section 1.704-2(g)(i), and its share of the Partner Nonrecourse Debt Minimum Gain, as determined pursuant to Treasury Regulation Section 1.704-2(i)(5).

(2) Notwithstanding any other provision of this Agreement, no allocation of Loss, or other allocation of loss or deduction, shall be made to any Member if such allocation would result in such Member having a negative balance in its Capital Account at the close of any Fiscal Year in excess of the amount it would be required to restore on a liquidation of the Company at the close of such Fiscal Year (or a liquidation of such Member's interest in the Company).

(3) Notwithstanding any other provision of this Agreement, in the event any Member unexpectedly receives an adjustment, allocation, or distribution described in clause (4), (5), or (6) of Treasury Regulation Section 1.704-1(b)(2)(ii)(d) that results in such Member having a negative balance in its Capital Account at the close of any Fiscal Year in excess of the amount that it is required to restore on a liquidation of the Company at the close of such Fiscal Year (or of the Member's interest in the Company), or for any other reason has a deficit Capital Account balance in excess of such amount, such Member shall, prior to the allocations otherwise provided in this Section, be allocated Profit (and other income and gain) in an amount and manner sufficient to eliminate such excess as promptly as possible.

(4) In accordance with and pursuant to Treasury Regulation 1.704-2(i)(1), all partner nonrecourse deductions (as defined in that Regulation) shall be allocated to the Member that bears the economic risk of loss on the debt giving rise to such deductions as determined under that Regulation. Further, in accordance with and pursuant to Treasury Regulation 1.704-2(f) and -2(i)(4) (and subject to the exceptions set forth therein), if there is a net decrease in either the Company's Minimum Gain or Partner Nonrecourse Debt Minimum Gain or both during any Fiscal Year, all Members shall be allocated, before any other allocation is made of Profit (and other income and gain) or Loss (or other loss or deduction) for such Fiscal Year, items of income and gain for such Fiscal Year (and, if necessary, subsequent years) in an amount equal to the Member's share in the decrease in Minimum Gain or Partner Nonrecourse Debt Minimum Gain, as determined pursuant to Treasury Regulation Sections 1.704-2(g)(2) and 1.704-2(i)(4).

(5) It is the intent of the parties to this Agreement that the chargeback provisions and the limitation on loss allocations provided in this Section satisfy the "allocation of nonrecourse liability" rules provided in Treasury Regulation 1.704-2 and the requirements of Treasury Regulation 1.704-1(b)(2)(ii)(d) (relating to the alternate test for economic effect and "qualified income offset"). It is further intended that the allocations under this Section shall effect an allocation for Federal income tax purposes in a manner consistent with Section 704(b) and (c) of the Code and comply with any limitations or restrictions therein. If for any reason the allocations contained in this Agreement shall conflict with the Treasury Regulations promulgated under Section 704 of the Code, the Members acknowledge that such Regulations shall control.

(6) The allocations set forth in this Section (the "<u>Regulatory Allocations</u>") are intended to comply with certain requirements of Treasury Regulation Section 1.704-1(b). The Regulatory Allocations may not be consistent with the manner in which the Members intend to divide Company Distributions. Accordingly, the Manager, as the "tax matters partner" (or any successor thereto) is hereby authorized, with the advice of the Company's accountants, to devise other allocations of income, gains

and losses and other items among the Members as may be necessary so as to prevent the Regulatory Allocations from distorting the manner in which Company Distributions will be divided among the Members; provided, however, that any change in the manner of maintaining Capital Accounts shall not materially alter the economic agreement between or among the Members as expressed in this Agreement without the consent of each Member. In general, the Members anticipate that this will be accomplished by specially allocating items of income, gain, loss and deduction among the Members so that the net amount of the Regulatory Allocations and such special allocations to such Member is zero. However, the Tax Matters Partner shall have discretion to accomplish this result in any reasonable manner.

9.4 ACCOUNTING DECISIONS.

(a) Subject to the provisions of this Agreement, the Manager will make all decisions as to accounting matters. The Manager shall cause the Company at all times to retain an independent nationally-recognized accounting firm as its auditors.

(b) Subject to the provisions of this Agreement, the Manager may cause the Company to make whatever elections the Company may make under the Code, including the election referred to in Section 754 of the Code to adjust the basis of Company assets.

(c) The Company shall make the following elections on the appropriate tax returns:

(1) To adopt the calendar year as the Fiscal Year;

(2) To adopt the accrual method of accounting for income tax purposes and keep the Company's books and records in accordance with GAAP;

(3) If a Distribution as described in Section 734 of the Code occurs or if a transfer of a Membership Unit described in Section 743 of the Code occurs, upon the written request of any Member, to elect to adjust the basis of the property of the Company pursuant to Section 754 of the Code;

(4) To elect to amortize the organizational expenses of the Company and the start up expenditures of the Company under Section 195 of the Code ratably over a period of sixty months as permitted by Section 709(b) of the Code; and

(5) Any other election that the Manager may deem appropriate and in the best interests of the Members. Neither the Company nor any Member may make an election for the Company to be excluded from the application of Subchapter K of Chapter I of Subtitle A of the Code or any similar provisions of applicable state law, and no provisions of this Agreement shall be interpreted to authorize any such election.

9.5 TAX MATTERS PARTNER. The Manager shall be the "tax matters partner" of the Company pursuant to Section 6231(a)(7) of the Code. The Manager shall not extend the statute of limitations, compromise any tax controversy or take any other material action as "tax matters partner" except after consultation with the Executive Committee.

9.6 TAX RETURNS. The Manager shall cause to be prepared and filed all necessary Federal and state income tax returns for the Company. Each Member shall furnish to the Manager all pertinent information in its possession relating to Company operations that is necessary to enable the Company's income tax returns to be prepared and filed.

9.7 TAX WITHHOLDINGS. The Company shall at all time be entitled to make payments with respect to any Member in amounts required to discharge any legal obligation of the Company pursuant to any provision of the Code or any other tax provision or any provision enacted in the future imposing a similar obligation on the Company to withhold or make payments to any governmental authority with respect to any United States federal, state or local tax liability of such Member arising as a result of such Member's interest in the Company. Each such payment made to any governmental authority shall be deemed to be a loan by the Company to such Member and shall not be deemed to be a Distribution. The amount of such payments made with respect to any Member, plus interest at an annual rate equal to two percent plus the Company's highest borrowing rate on each such amount from the date of each such payment until such amount is repaid to the Company, shall be repaid to the Company by (i) deduction from the current or next succeeding Distribution or Distributions otherwise payable to such Member pursuant to this Agreement or (ii) earlier payment of such amounts and interest by such Member to the Company.

ARTICLE X

FINANCIAL REPORTS; INSPECTION RIGHTS

10.1 REPORTS TO MEMBERS. Within 135 days after the end of each Fiscal Year and 75 days after the end of each quarter other than the last quarter thereof, the Company shall cause to be prepared and mailed to each Member a financial report (audited by an accounting firm of recognized national standing in the case of a report sent as of the end of a Fiscal Year and unaudited in the case of a report sent as of the end of a quarter) setting forth as of the end of such Fiscal Year or quarter:

(a) a consolidated balance sheet of the Company and its Subsidiaries as of the end of such Fiscal Year or quarter prepared in accordance with GAAP; and

(b) consolidated statements of income, retained earnings and cash flows of the Company and its Subsidiaries for such Fiscal Year or quarter (and for the period from the beginning of the Fiscal Year to the end of such quarter) prepared in accordance with GAAP.

In addition, the Company will deliver to the Members promptly upon their becoming available, (i) copies of all registration statements and regular periodic reports, if any, that the Company shall have filed with the SEC or any national securities exchange, (ii) copies of all projections delivered to the lenders of the Company or its subsidiaries in connection with proposed acquisitions or refinancings by the Company or its subsidiaries and (iii) copies of all regular reports to management submitted by the independent auditors for the Company.

10.2 INSPECTION RIGHTS. The Company shall, upon reasonable notice during normal business hours, permit any Member and its agents, including counsel, to inspect its properties, examine its books and records and to discuss with management the business and affairs of the Company and its subsidiaries, and to examine, copy and make extracts from its books and records.

10.3 CERTAIN ADDITIONAL INFORMATION. Concurrently with the delivery by the Company to each Member of its annual financial statements pursuant to Section 10.1 above, the Company will deliver to each Member that is a Small Business Investment Company a written assessment of the economic impact of the investment by such Member in the Company, specifying the full-time equivalent jobs created or retained in connection with such investment, the impact of such investment on the business of the Company in terms of expanded revenue and taxes, and other economic benefits resulting from such investment, including but not limited to, technology development or commercialization, minority business development, urban or rural business development, expansion of exports and assistance to manufacturing firms, all as contemplated by 13 C.F.R. (S) 107.304(c).

10.4 USE OF PROCEEDS. Within 75 days after the date of a Capital Contribution to the Company by a Member that is a Small Business Investment Company, the Company shall deliver to such Member a written statement certified by the Manager describing in reasonable detail the use of the proceeds of the investment hereunder by the Company and its Subsidiaries. In addition to any other rights granted hereunder, the Company shall grant any Member that is a Small Business Investment Company and the United States Small Business Administration access to the Company's records for the purpose of verifying the use of such proceeds.

ARTICLE XI

PUT RIGHTS

11.1 PUT RIGHT AT THE OPTION OF THE MEMBERS. Under the circumstances and on the terms described below, Members shall have the following rights:

(a) Members shall have the right to require the Company to redeem all or any part of the Membership Units held by them at any time on or after a Triggering Event (the "Put"). A Member may exercise the Put by giving the Company notice of such intent setting forth the Triggering Event (such notice hereinafter a "Put Notice").

(b) The consideration to be paid in connection with the Put shall be payable in cash in an amount equal to the value of the Membership Units subject to the Put, based upon the fair market value of the Company as a going concern with no discount attributed to the restrictions of transferability of the Membership Units and the minority Percentage Interests (the "Put Price"). If the Company and the Members delivering a Put Notice agree in writing as to the amount of the Put Price for the Membership Units that are the subject of such Put Notices, such amount shall bind them. If the Company and the Members exercising the Put do not agree in writing, then the fair market value shall be the average of the valuations determined by two independent valuation experts, one selected by the Company and one by the Members exercising the Put. If the valuations of such experts differ by more than 10 percent, the two experts shall select a third independent valuation expert, the opinion of which shall be binding, to determine a value no higher than the higher valuation nor lower than the lower valuation. The costs of each such expert shall be borne equally by the Company and the Members exercising such Put.

(c) The redemption of the Membership Units subject to the Put shall occur no later than the 30th day after final determination of the Put Price, unless the Company and the Members exercising the Put agree to a different date. If, prior to the closing date for the Put, the Company is unable to purchase for cash all of the Membership Units required to be purchased pursuant to the Put Option, the Company shall promptly (but in any event within three business days of such determination) give notice to each of the Members exercising the Put of the aggregate amount of Membership Units it is unable to purchase for cash (a "Put Cash Postponement"). In the case of any Put Cash Postponement, the Company shall use its best commercial efforts to increase its ability to pay cash for the Membership Units subject to the Put. If on the Put Closing Date, the Company does not purchase all of the Membership Units subject to the Put for cash, the Company shall issue to any Member subjected to a Put Cash Postponement a junior subordinated promissory note of the Company (a "Purchase Note") having a principal amount equal to the aggregate Put Price for the Membership Units subject to the Put Cash Postponement plus deferred interest accruing and compounding annually at an annual rate equal to five percent (5%) over the interest rate publicly announced by The Chase Manhattan Bank from time to time as its prime commercial lending rate of interest. The maturity date of a Purchase Note shall be five years from the date of issuance, but a Purchase Note may be prepaid without penalty. At the time of payment, the Company shall pay principal and accrued deferred interest on the Purchase Note.

(d) In the event a Triggering Event described in clause (2) of Section 1.1(sss), only such number of Membership Units held by a Member as shall be necessary to cure the legal restriction therein referred to shall be entitled to the benefits of a Put under this Section 11.1.

ARTICLE XII

TRANSFERABILITY

12. TRANSFEREE NOT A MEMBER. (a) Subject to the terms of Section 12.3 hereof, a Member may transfer Membership Units to an Affiliate and have such Affiliate become a Member. No Person acquiring a Membership Unit other than an existing Member or an Affiliate of an existing Member shall become a Member unless such Person is approved by the Manager. No transfer of more than 5,000 Membership Units (other than by a Member to an Affiliate in accordance with Section 12.3) shall be effective unless approved by the Manager and the Executive Committee. No Person shall become a Member until, in addition to the required vote or consent: (i) Such Person by written agreement shall have accepted the terms of, and agreed to be bound by, this Agreement; (ii) any required certificate evidencing the admission of such Person as a Member, if required, shall have been prepared for filing or recordation; (iii) such Person complies with any other condition imposed by the Manager. If no such approval is obtained, such Person's Membership Unit shall only entitle such Person to receive the Distributions and allocations of profits and losses to which the Member from whom or which such Person received such Membership Unit would be entitled and shall not entitle such Person to any rights with respect to management and ownership. Any such approval may be subject to any terms and conditions imposed by the Manager in his sole and complete discretion.

(b) If it shall become unlawful for any Member to continue to hold some or all of the Membership Units held by such Member, or by reason of legal or regulatory restrictions the cost to such member to continue to hold such Membership Units (in relation to the value of such Membership Units to such Member) has, in the reasonable judgment of such Member, significantly increased, then such Member may, at any time following the date three business days after the delivery of such Member to each other Member of notice of the existence of any such restriction, transfer all or any portion of the Membership Units held by such Member free of any restrictions imposed under this Agreement (other than those restrictions required by federal or state laws, including securities, FCC and tax laws, and subject to the respective transferee meeting the requirements of Section 12.3, and provided that the transferee Member shall hold its Membership Units subject to all of the terms of this Agreement). In connection therewith, the Company shall assist such Member in disposing of the Membership Units held by it in a prompt and orderly manner, and (at the request of such Member) make available (and authorize such Member to make available through the Company) financial and other information concerning the Company and its Subsidiaries (including, without limitation, the information described in Rule 144A(d)(4)) to any prospective purchaser of such prospective purchaser of such Membership Units (it being agreed that such prospective purchaser shall be either an "accredited investor" within the meaning of Rule 501 (a) under the Securities Act or a "qualified institutional buyer" within the meaning of Rule 144A(d)(1) under such Act to the extent that such Membership Units are "restricted securities" as such term is defined in Rule 144). The Company may require that each such prospective purchaser keep confidential, pursuant to customary confidentiality requirements, any information received by it pursuant to this provision.

12.2 EFFECTIVE DATE. Any sale of a Membership Unit or admission of a Member shall be deemed effective immediately upon consummation of such sale and the satisfaction by the transferee of all requirements of this Article XII.

12.3 REQUIREMENTS FOR ALL TRANSFERS OF MEMBERSHIP UNITS. Any transfer pursuant to this Article XII is subject to the following conditions:

(a) the proposed transferee must execute and deliver to the Company an executed counterpart of this Agreement;

(b) the proposed transferee shall be lawfully entitled to hold the Membership Units being transferred under the Communications Act of 1934, as amended, and the rules and regulations of the Federal Communications Commission, or any successor thereto;

(c) unless such transfer is being made pursuant to an effective registration statement under the Securities Act or pursuant to Rule 144 or Rule 144A thereunder, the transferring Member shall deliver to the Company a notice with respect to the proposed transfer, together with an opinion of counsel in form and substance satisfactory to the Company prepared by counsel reasonably satisfactory to the Company (which shall include, without limitation, counsel to each of the Members as of the date hereof), to the effect that an exemption from registration and qualification under such Securities Act is available;

(d) the transferring Member and its transferee shall each provide a certificate to the Company, in form and substance satisfactory to the Manager, to the effect that (A) the proposed transfer will not be effected on or through (1) a United States national, regional or local securities exchange, (2) a foreign securities exchange or (3) an interdealer quotation system that regularly disseminates firm buy or sell quotations by identified brokers or dealers (including, without limitation, the National Association of Securities Dealers Automated Quotation System) by electronic means or otherwise, and (B) it is not, and the proposed transfer will not be made by, through or on behalf of, (1) a Person who regularly quotes equity interests in the Company, such as a broker or dealer making a market in equity interests in the Company or (2) a Person who regularly makes available to the public (including customers or subscribers) bid or offer quotes with respect to equity interests in the Company and stands ready to effect buy or sell transactions at the quoted prices for itself or on behalf of others; provided, however, that such certificate shall not be required for any transfer in connection with a registered public offering;

(e) the transferee must be a "U.S. Person" for federal income tax purposes;

(f) such transfer must not cause the Company to terminate for tax purposes; and

(g) such transfer must not cause the Company to lose its status as a partnership for tax purposes.

Any transfer made in violation of this Section 12.3 shall be null and void and of no force and effect.

12.4 TRANSFERS IN A REGISTERED PUBLIC OFFERING. The parties hereto have entered into Registration Rights Agreements with the Company. Each party hereto acknowledges that any Holder (as defined in its respective Registration Rights Agreement) shall have the right to register and transfer Membership Units in accordance with the provisions of such Registration Rights Agreement and that the Company shall comply with its obligations thereunder. No such transfer shall be subject to the restrictions on transfers set forth in this Article or any other provision of this Agreement.

ARTICLE XII

PREEMPTIVE RIGHTS AND CERTAIN PROVISIONS APPLICABLE TO BMO AFFILIATES

13.1 PREEMPTIVE RIGHTS. (a) If, other than in connection with an acquisition or other business combination, in contemplation of an initial public offering of equity securities of the Company or in respect of issuances of Membership Units pursuant to Section 8.5 of this Agreement, the Company proposes to issue, grant or sell Membership Units or any securities exchangeable or convertible into Membership Units in accordance with the provisions of this Agreement, the Company shall first give to the Members a notice setting forth in reasonable detail the price and other terms on which such Membership Units are proposed to be issued or sold, the terms of such Membership Units and the amount thereof proposed to be issued, granted or sold (without limiting the consent rights of any Member in connection therewith). The Members shall thereafter have the preemptive right, exercisable by notice to the Company no later than twenty (20) days after the Company's notice is given, to purchase the amount of such Membership Units set forth in such Member's notice (but in no event more than such Member's pro rata share thereof, as of the date of the Company's notice, based upon the ratio of the Membership Units held by such Member to the aggregate of the Membership Units of the Company), for the price and other terms set forth in the Company's notice. Any notice by a Member exercising the right to purchase Membership Units pursuant to this Article XIII shall constitute an irrevocable commitment to purchase from the Company the Membership Units specified in such notice, subject to the maximum set forth in the preceding sentence. If the Members fail to exercise their preemptive right to the full extent of their *pro rata* share, the Company shall provide notice thereof to the exercising Members and an additional ten (10) days to subscribe for the remaining Membership Units subject to preemptive rights. If the Members exercise their preemptive right set forth in this Section 13.1 to the full extent of their *pro rata* share or for any other reason the Company shall not issue, grant or sell Membership Units to Persons other than the Members then the closing of the purchase shall take place on such date, no less than ten (10) and no more than thirty (30) days after the expiration of the 20-day period referred to above, as the Company may select and notify the Members at least seven (7) days prior thereto. If the Members do not exercise their preemptive rights to the full extent of their *pro rata* shares, and, as contemplated by Section 13.1(b), the Company shall issue, grant or sell Membership Units to Persons other than the Members, then the closing of the issuance of Membership Units to Members shall take place at the same time as the closing of such issuance, grant or sale to non-Members.

(b) If the Members do not exercise their preemptive rights to the full extent of their *pro rata* shares, the Company shall use its good faith and commercially reasonable efforts to issue, grant or sell the remaining Membership Units on the terms set forth in its notice to the Members unless the Company is advised by its financial advisors that the remaining number or amount is too small to be reasonably sold. From the expiration of the 20-day period first referred to in Section 13.1(a) and for a period of 90 days thereafter, the Company may offer, issue, grant and sell to any Person, other than a Member thereof, Membership Units having the terms set forth in the Company's notice relating to such Membership Units for a price and other terms no less favorable to the Company, and including no less cash, than those set forth in such notice (without deduction for reasonable underwriting, sales agency and similar fees payable in connection therewith); *provided, however*, that the Company may not issue, grant or sell Membership Units in an amount greater than the amount set forth in such notice minus the amount purchased or committed to be purchased by the Members upon exercise of their preemptive rights.

(c) The preemptive rights set forth above in this Section 13.1 shall terminate upon consummation of an initial public offering of equity securities of the Company.

13.2 SUBJECT MEMBERSHIP UNITS ARE NONVOTING; EXCEPTIONS. Notwithstanding anything in this Agreement to the contrary (including Section 12.1(b)), no BMO Affiliate and no Subject

Transferee shall at any time have the right to vote, to give any consent or proxy with respect to, or otherwise exercise the rights as a holder of, Subject Membership Units to agree to, approve or otherwise authorize any action or inaction, or remove the Manager, under any of Sections 5.1, 5.2, 5.5(b), 5.8, 5.12 and 6.8(e) of this Agreement (in all such instances, Subject Membership Units shall be treated as not outstanding for purposes of whether any action or inaction or removal has been approved by the requisite vote of Members). This Section is not intended to derogate from or diminish any right such holder may have to vote, consent to, approve or otherwise authorize or give proxies with respect to actions under Section 6.8 of this Agreement (excluding Section 6.8(e)) or to take any action with respect to Membership Units other than Subject Membership Units.

13.3 NOTICE OF CERTAIN IN KIND DISTRIBUTIONS. Before any distribution in kind of assets of the Company to any BMO Affiliate who is a Member, the Manager or the liquidating trustee, as applicable, shall give notice in writing to such BMO Affiliate not fewer than 10 Business days before such distribution identifying each asset proposed to be distributed and the date of distribution. Notwithstanding anything in this Agreement to the contrary, such BMO Affiliate may elect, by notice in writing to the Manager or the liquidating trustee not fewer than three Business Days before the date of distribution specified in the notice given to such BMO Affiliate, to decline the distribution of some or all of such assets to the extent that the acquisition of such assets would, in the reasonable judgment of such BMO Affiliate, result in a violation of the BHCA or IBA. In the event that the BMO Affiliate has so elected, the Manager or liquidating trustee shall cause such assets, which would otherwise have been distributed to such BMO Affiliate, to be disposed of immediately regardless of the economic consequences of such a liquidation and the proceeds of such disposition to be distributed to such BMO Affiliate, net of any expense or other costs incurred or imposed on the Seller in connection with disposition. In connection with any such election, the BMO Affiliate shall execute such indemnification and similar agreements in favor of the Manager or the liquidating trustee as shall reasonably be requested.

ARTICLE XIV

DISSOLUTION

14.1 DISSOLUTION. The Company shall be dissolved and its affairs shall be wound up upon the first to occur of the following:

(a) The latest date on which the Company is to dissolve, if any, as set forth in the Articles of Organization;

(b) The vote or written consent of the Manager provided that less than $13 million in Capital Contributions and Additional Capital Contributions have been made to the Company following December 31, 1996;

(c) The bankruptcy, death, dissolution, removal, legal incapacity or resignation of the Manager or the occurrence of any other event that terminates the continued membership of the Manager, unless within one hundred eighty days after such event the Company is continued by the vote or written consent of no less than two-thirds of the Percentage Interests of all of the remaining Members; or

(d) the entry of a decree of judicial dissolution under Section 702 of the New York Act.

14.2 WINDING UP. Upon the dissolution of the Company the Manager may, in the name of and for and on behalf of the Company, prosecute and defend suits, whether civil, criminal or administrative, sell and close the Company's business, dispose of and convey the Company's property, discharge the Company's liabilities and distribute to the Members any remaining assets of the Company, all without affecting the liability of Members. Upon winding up of the Company, the assets shall be distributed as follows:

(a) To creditors, including any Member who is a creditor (including with respect to any amounts owing in respect of a Put pursuant to Section 11.1 hereof), to the extent permitted by law, in satisfaction of liabilities of the Company, whether by payment or by establishment of adequate reserves, other than liabilities for Distributions to Members under Section 507 or Section 509 of the New York Act;

(b) To Members and former Members in satisfaction of liabilities for Distributions under Section 507 or Section 509 of the New York Act; and

(c) To the Members in the amounts and proportions set forth in Section 8.4(b) of this Agreement.

14.3 ARTICLES OF DISSOLUTION. Within ninety days following the dissolution and the commencement of winding up of the Company, or at any other time there are no Members, articles of dissolution shall be filed with the New York Secretary of State pursuant to the New York Act.

14.4 DEFICIT CAPITAL ACCOUNT. Upon a liquidation of the Company within the meaning of Section 1.704-1(b)(2)(ii)(g) of the Treasury Regulations, if any Member is liable for indebtedness of the Company and has a deficit Capital Account (after giving effect to all contributions, Distributions, allocations and other adjustments for all Fiscal Years, including the Fiscal Year in which such liquidation occurs), such Member shall be liable to make a Capital Contribution in the amount of the lesser of the negative balance of such Member's Capital Account or the amount of indebtedness of the Company for which such Member is liable.

14.5 NONRECOURSE TO OTHER MEMBERS. Except as provided by applicable law or as expressly provided in this Agreement, upon dissolution, each Member shall receive a return of such Member's Capital Contribution solely from the assets of the Company. If the assets of the Company remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return any Capital Contribution of any Member, such Member shall have no recourse against any other Member.

14.6 TERMINATION. Upon completion of the dissolution, winding up, liquidation, and distribution of the assets of the Company, the Company shall be deemed terminated.

ARTICLE XV

INDEMNIFICATION

15.1 EXCULPATORY PROVISIONS. None of the Members nor any of their respective shareholders, members, partners, officers, directors, employees or control persons (as such term is defined in the Securities Act) of such Members and none of the members of the Executive Committee (collectively, the "Indemnified Persons") shall be liable directly or indirectly, to the Company or to any Member for any act or omission (in relation to the Company or this Agreement) taken or omitted by such Indemnified Person in good faith, provided that such act or omission did not constitute gross negligence, fraud or willful violation of the law or this Agreement.

15.2 INDEMNIFICATION OF MEMBERS. The Company shall, to the fullest extent permitted by the New York Act, indemnify and hold harmless each Indemnified Person against all claims, liabilities and expenses of whatever nature ("Claims") relating to activities undertaken in connection with the Company, including but not limited to amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel, accountants' and experts' and other fees, costs and expenses reasonably incurred in connection with the investigation, defense or disposition (including by settlement) of any action, suit or other proceeding, whether civil or criminal, before any court or administrative body in which such Indemnified Person may be or may have been involved, as a party or otherwise, or with which such Indemnified Person may be or may have been threatened, while acting as such Indemnified Person, provided that no indemnity shall be payable hereunder against any liability incurred by such Indemnified Person by reason of such Indemnified Person's gross negligence, fraud or willful violation of the law or this Agreement or with respect to any matter as to which such Indemnified Person shall have been adjudicated not to have acted in good faith.

15.3 ADVANCE OF EXPENSES. Expenses incurred by an Indemnified Person in defense or settlement of any Claim that may be subject to a right of indemnification hereunder may be advanced by the Company prior to the final disposition thereof upon receipt of an undertaking by or on behalf of the Indemnified Person to repay such amount if it shall ultimately be determined that the

Indemnified Person is not entitled to be indemnified by the Company.

15.4 CONTROL OF CLAIM. The Company shall have the right to select counsel (provided such counsel is reasonably satisfactory to the Indemnified Person) and to control the defense of any action giving rise to a Claim, provided that an Indemnified Person may nevertheless employ counsel to represent and defend it, but the Company will not be required to pay the fees and disbursements of more than one counsel in any jurisdiction in any proceeding (unless by reason of potential conflicts of interest, representation by more than one counsel is necessary). The right to control the defense of any action shall not include the right to enter into a settlement with respect to such action, unless such settlement is for money damages only (and the Company first places such funds in escrow or posts a bond or other security reasonably satisfactory to the Indemnified Person sufficient, without regard to the provisions of Section 15.6, to cover the full amount of the proposed settlement).

15.5 NON-EXCLUSIVITY. The right of any Indemnified Person to the indemnification provided herein shall be cumulative of, and in addition to, any and all rights to which such Indemnified Person may otherwise be entitled by contract or as a matter of law or equity and shall extend to such Indemnified Person's successors, assigns and legal representatives.

15.6 SATISFACTION FROM COMPANY ASSETS. All judgments against the Company or an Indemnified Person, in respect of which such Indemnified Person is entitled to indemnification, shall first be satisfied from Company assets before the Indemnified Person is responsible therefor.

15.7 NOTICES OF CLAIMS. Promptly after receipt by an Indemnified Person of notice of the commencement of any action or proceeding or threatened action or proceeding involving a Claim, such Indemnified Person will, if a claim for indemnification in respect thereof is to be made against the Company, give written notice to the Company of the commencement of such action; provided, however, that the failure of any Indemnified Person to give notice as provided herein shall not relieve the Company of its obligations under this Article XV, except to the extent that the Company is actually prejudiced by such failure to give notice. Each such Indemnified Person shall keep the Manager apprised of the progress of any such proceeding.

ARTICLE XVI

GENERAL PROVISIONS

16.1 NOTICES. Any notice, demand or other communication required or permitted to be given pursuant to this Agreement shall have been sufficiently given for all purposes if (a) delivered personally to the party or to an executive officer of the party to whom such notice, demand or other communication is directed, (b) sent by registered or certified mail, postage prepaid, addressed to the Member or the Company at his, her or its address set forth in this Agreement, or (c) transmitted by facsimile, with hard copy sent by mail as set forth in clause (b) of this Section 16.1. Except as otherwise provided in this Agreement, any such notice shall be deemed to be given on the date of personal delivery or facsimile transmission, and three business days after the date on which it was deposited in a regularly maintained receptacle for the deposit of United States mail, addressed and sent as set forth in this Section 16.1.

16.2 AMENDMENTS. No course of performance or other conduct subsequently pursued or acquiesced in, and no oral agreement or representation subsequently made, by the Members, whether or not relied or acted upon, and no usage of trade, whether or not relied or acted upon, shall amend this Agreement or impair or otherwise affect any Member's obligations pursuant to this Agreement or any rights and remedies of a Member pursuant to this Agreement. No amendment to this Agreement shall be effective unless made with the consent of no less than two-thirds of the Membership Units; *provided, however*, that the Manager acting alone shall have the power to amend *Schedules A*, *B* and *C* hereto to reflect transfers or issuances of Membership Units, to reflect changes in the Unfunded Capital Commitments, to make adjustments pursuant to Section 8.5 hereof, to make any accounting and other amendments deemed necessary by the Manager as Tax Matters Partner (with the advice of the Company's independent accountants), and as approved by the Executive Committee under Section 5.7(a)(vii). Notwithstanding the foregoing, no amendment shall be effective: (i) which has a disproportionate adverse economic effect upon the rights of any Member vis-a-vis the other Members holding Membership Units having the same rights, without the consent of such adversely affected Member; (ii) which has an adverse economic effect upon the rights of a group of Members, without the consent of a majority of such group of Members; or (iii) which alters the rights, powers and duties of the Manager (in his capacity as Manager) (or an Affiliate thereof) under this Agreement, or otherwise adversely affects the Manager (in his capacity as Manager), without the consent of the Manager. In addition to the foregoing, the Company shall not (in its capacity as a member of any Subsidiary) consent to any amendment to the Operating Agreement of such Subsidiary which would have an adverse effect upon the Company's economic rights in such Subsidiary without the consent of a majority of the Membership Units.

16.3 CONSTRUCTION. Whenever the singular number is used in this Agreement and when required by the context, the same shall include the plural and vice versa, and the masculine gender shall include the feminine and neuter genders and vice versa.

16.4 HEADINGS. The headings in this Agreement are for convenience only and shall not be used to interpret or construe any provision of this Agreement.

16.5 WAIVER. No failure of a Member to exercise, and no delay by a Member in exercising, any right or remedy under this Agreement shall constitute a waiver of such right or remedy. No waiver by a Member of any such right or remedy under this Agreement shall be effective unless made in a writing duly executed by all Members and specifically referring to each such right or remedy being waived.

16.6 SEVERABILITY. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law. However, if any provision of this Agreement shall be prohibited by or invalid under such law, it shall be deemed modified to conform to the minimum requirements of such law or, if for any reason it is not deemed so modified, it shall be prohibited or invalid only to the extent of such prohibition or invalidity without the remainder thereof or any other such provision being prohibited or invalid.

16.7 BINDING. This Agreement shall be binding upon and inure to the benefit of all Members, and each of the successors and assignees or the Members, except that no right or obligation of a Member under this Agreement may be assigned by such Member to another Person without first obtaining the written consent of the Manager.

16.8 COUNTERPARTS. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

16.9 GOVERNING LAW. This Agreement shall be governed by, and interpreted and construed in accordance with, the laws of the State of New York, without regard to principles of conflict of laws.

[Remainder of this page intentionally blank;
signatures to follow]

IN WITNESS WHEREOF, the individuals and entities signing this Agreement below conclusively evidence their agreement to the terms and conditions of this Agreement by so signing this Agreement.

ROCCO B. COMMISSO

U.S. INVESTOR, INC.

By:______________________________
Laura Petterle, Vice President and Treasurer

MORRIS COMMUNICATIONS CORPORATION

By:______________________________
Its:_____________________________

BMO FINANCIAL, INC.

By:______________________________
Its:_____________________________

PRIVATE MARKET FUND, L.P.

By:______________________________
Its:_____________________________

By:______________________________
Its:_____________________________

CHASE MANHATTAN CAPITAL, L.P.

By:______________________________
Its:_____________________________

By:______________________________
Its:_____________________________

____
SCOTT W. SEATON

____
THOMAS W. KEAVENEY

CB CAPITAL INVESTORS, L.P.

By:______________________________
Its:_____________________________

By:______________________________
Its:_____________________________

EXHIBIT 3.3

CERTIFICATE OF INCORPORATION

OF

MEDIACOM CAPITAL CORPORATION

Under Section 402 of the Business Corporation Law

The undersigned, being a natural person of at least 18 years of age and acting as the incorporator of the corporation hereby being formed under the Business Corporation Law, certifies that:

FIRST: The name of the corporation is Mediacom Capital Corporation.

SECOND: The corporation is formed for the following purpose or purposes:

To engage in any lawful act or activity for which corporations may be organized under the Business Corporation Law, provided that the corporation is not formed to engage in any act or activity requiring the consent or approval of any state official, department, board, agency, or other body without such consent or approval first being obtained.

Third: The office of the corporation is to be located in Orange County, State of New York.

FOURTH: The aggregate number of shares which the corporation shall have authority to issue is 200 all of which are of a par value of $0.1 each, and all of which are of the same class.

FIFTH: The Secretary of State is designated as the agent of the corporation upon whom process against the corporation may be served. The post office address within the State of New York to which the Secretary of State shall mail a copy of any process against the corporation served upon him is:

Cooperman Levitt Winikoff Lester & Newman, P.C.
800 Third Avenue, New York, New York 10022
Attention: Robert L. Winikoff, Esq.

SIXTH: The duration of the corporation is to be perpetual.

SEVENTH: The corporation shall, to the fullest extent permitted by Article 7 of the Business Corporation Law, as the same may be amended and supplemented, indemnify any and all persons whom it shall have power to indemnify under said Article from and against any and all of the expenses, liabilities, or other matters referred to in or covered by said Article, and the indemnification provided for herein shall not be deemed exclusive of any other rights to which any person may be entitled under any By-Law, resolution of shareholders, resolution of directors, agreement, or otherwise, as permitted by said Article, as to action in any capacity in which he served at the request of the corporation.

EIGHTH: The personal liability of the directors of the corporation is eliminated to the fullest extent permitted by the provisions of paragraph (b) of Section 402 of the Business Corporation Law, as the same may be amended and supplemented.

IN WITNESS WHEREOF, the undersigned has signed this Certificate of Incorporation this 9th day of March, 1998 and affirms that the statements made herein are true under the penalties of perjury.

/s/ Michael Sufott

Michael Sufott, Incorporator
Cooperman Levitt Winikoff Lester
& Newman, P.C.
800 Third Avenue
New York, New York 10022

EXHIBIT 3.4

BY-LAWS
OF
MEDIACOM CAPITAL CORPORATION

ARTICLE I
Shareholders

Section 1. Annual Meeting. A meeting of shareholders of the Corporation shall be held annually at such place within or without the State of New York, at such time and on such date as may from time to time be fixed by the Board of Directors, for the election of directors and for the transaction of such other business as may come before the meeting.

Section 2. Special Meetings. Special meetings of shareholders of the Corporation may be called by the Board of Directors or the President, and shall be called by the Secretary upon the written request of shareholders of record holding at least a majority in number of the issued and outstanding shares of the Corporation entitled to vote at such meeting. Special meetings shall be held at such places within or without the State of New York, at such time and on such date as shall be specified in the call thereof. At any special meeting, only such business may be transacted which is related to the purpose or purposes set forth in the notice of such special meeting.

Section 3. Notice of Meetings. Written notice of each meeting of shareholders stating the place, date and hour thereof and, unless it is an annual meeting, the purpose or purposes for which the meeting is called and that it is being issued by or at the direction of the person or persons calling the meeting, shall be given personally or by mail, not less than ten nor more than fifty days before the date of such meeting, to each shareholder entitled to vote at such meeting. If mailed, such notice is given when deposited in the United States mail, with postage thereon prepaid, directed to the shareholder at his or her address as it appears on the record of shareholders or, if he or she shall have filed with the Secretary a written request that notices to him or her be mailed to some other address, then directed to him or her at such other address. If, at any meet ing, action is proposed to be taken which would, if taken, entitle shareholders fulfilling the requirements of Section 623 of the Business Corporation Law to receive payment for their shares, the notice of such meeting shall include a statement of that purpose and to that effect.

Section 4. Waiver of Notice. Notice of any meeting of shareholders need not be given to any shareholder who submits a signed waiver of notice, in person or by proxy, whether before or after the meeting. The attendance of any shareholder at a meeting in person or by proxy, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice by him or her.

Section 5. Adjournment. When any meeting of shareholders is adjourned to another time or place, it should not be necessary to give any notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, and at the adjourned meeting any business may be transacted that might have been transacted on the original date of the meeting. However, if after such adjournment the Board of Directors fixes a new record date for the adjourned meeting, a notice of the adjourned meeting shall be given to each shareholder of record on the new record date entitled to vote at such meeting.

Section 6. Quorum. Except as otherwise provided by law, the holders of a majority of the shares entitled to vote at any meeting of shareholders, shall constitute a quorum thereat for the transaction of any business. When a quorum is once present to organize a meeting, it is not broken by the subsequent with drawal of any shareholders. The shareholders present may adjourn a meeting despite the absence of a quorum.

Section 7. Proxies. Every shareholder entitled to vote at a meeting of shareholders or to express consent or dissent without a meeting may authorize another person or persons to act for him or her by proxy. Every proxy must be signed by the shareholder or his or her attorney-in-fact. No proxy shall be valid after the expiration of eleven months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the shareholder executing it, except as otherwise provided by law.

Section 8. Voting. Every shareholder of record shall be entitled at every meeting of shareholders to one vote for every share standing in his or her name on the record of shareholders. Directors shall, except as otherwise required by law, be elected by a plurality of the votes cast at a meeting of shareholders by the holders of shares entitled to vote in such election. When ever any corporate action, other than the election of directors, is to be taken by vote of the shareholders, it shall, except as otherwise required by law, be authorized by a majority of the votes cast at a meeting of shareholders by the holders of shares entitled to vote thereon.

Section 9. Action Without a Meeting. Any action required or permitted to be taken by shareholders by vote may be taken without a meeting on written consent, setting forth the action so taken, signed by the holders of all outstanding shares entitled to vote thereon.

Section 10. Record Date. The Board of Directors may fix, in advance, a date, which date shall not be more than fifty nor less than ten days before the date of any meeting of shareholders nor more than fifty days prior to any other action, as the record date for the purpose of determining the shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or to express consent to or dissent from any proposal without a meeting, or for the purpose of determining shareholders entitled to receive payment of any dividend or the allotment of any rights, or for the purpose of any other action. When a determination of shareholders of record entitled to notice of or to vote at any meeting of shareholders has been made as provided herein, such determination shall apply to any adjourn ment thereof, unless the Board of Directors fixes a new record date for the adjourned meeting.

ARTICLE II

Directors

Section 1. Number and Qualifications. The Board of Directors shall consist of one or more members. The number of directors shall be fixed by the Board of Directors. Directors need not be shareholders of the Corporation. Each of the direc tors shall be at least eighteen years of age.

Section 2. Election and Term of Office. At each annual meeting of shareholders, directors shall be elected to hold office until the next annual meeting of shareholders. Each director shall hold office until the expiration of such term, and until his or her successor has been elected and qualified, unless he or she sooner die, resign or be removed.

Section 3. Meetings. A meeting of the Board of Directors shall be held for the election of officers and for the transac tion of such other business as may properly come before such meeting as soon as practicable after the annual meeting of shareholders. Other regular meetings of the Board of Directors may be held at such times as the Board of Directors may from time to time determine. Special meetings of the Board of Directors may be called at any time by the President or by a majority of the directors then in office. Meetings of the Board of Directors shall be held at the principal office of the Corporation in the State of New York or at such other place within or without the State of New York as may from time to time be fixed by the Board of Directors.

Section 4. Notice of Meetings; Adjournment. No notice need be given of the first meeting of the Board of Directors after the annual meeting of shareholders or of any other regular meeting of the Board of Directors, provided the time and place of such meetings are fixed by the Board of Directors. Notice of each special meeting of the Board of Directors and of each regular meeting the time and place of which has not been fixed by the Board of Directors, specifying the place, date and time thereof, shall be given personally, by mail or telegraphed to each direc tor at his or her address as such address appears upon the books of the Corporation at least two business days (Saturdays, Sundays and legal holidays not being considered business days for the purpose of these By-Laws) before the date of such meeting. Notice of any meeting need not be given to any director who submits a signed waiver of notice, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to him or her. Notice of any directors' meeting or any waiver thereof need not state the purpose of the meeting. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of any adjournment of a meeting of the Board of Directors to another time or place shall be given to the directors who were not present at the time of the adjournment and, unless such time and place are announced at the meeting, to the other directors.

Section 5. Quorum; Voting. At any meeting of the Board of Directors, a majority of the entire Board of Directors shall constitute a quorum for the transaction of business or of any specified item of business. Except as otherwise required by law, the vote of a majority of the directors present at the time of the vote, if a quorum is present at such time, shall be the act of the Board of Directors.

Section 6. Participation by Telephone. Any one or more members of the Board of Directors or any committee thereof may participate in a meeting of the Board of Directors or such committee by means of a conference telephone or similar com munications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Section 7. Action Without a Meetings. Any action required or permitted to be taken by the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board of Directors or such committee consent in writing to the adoption of a resolution authorizing the action. The resolu tion and the written consents thereto by the members of the Board of Directors or such committee shall be filed with the minutes of the proceedings of the Board of Directors or such committee.

Section 8. Committees. The Board of Directors, by re solution adopted by a majority of the entire Board of Directors, may designate from among its members an Executive Committee and other committees, each consisting of three or more directors. Each such committee, to the extent provided in such resolution, shall have all the authority of the Board of Directors, except that no such committee shall have authority as to the following matters: (a) the submission to shareholders of any action that needs shareholders' approval pursuant to law, (b) the filling of vacancies in the Board of Directors or in any committee, (c) the fixing of the compensation of the directors for serving on the Board of Directors or on any committee, (d) the amendment or repeal of these By-Laws, or the adoption of new By-Laws, or (e) the amendment or repeal of any resolution of the Board of Direc tors which by its terms shall not be so amendable or repealable. The Board of Directors may designate one or more directors as alternate members of any such committee, who may replace any absent member or members at any meeting of such committee. Each such committee shall serve at the pleasure of the Board of Directors.

Section 9. Removal; Resignation. Any or all of the directors may be removed for cause or without cause by vote of the shareholders, and any of the directors may be removed for cause by action of the Board of Directors. Any director may resign at any time, such resignation to be made in writing and to take effect immediately or on any future date stated in such writing, without acceptance by the Corporation.

Section 10. Vacancies. Newly created directorships result ing from an increase in the number of directors and vacancies occurring in the Board of Directors for any reason may be filled by vote of the Board of Directors or by vote of the shareholders. If any newly created directorship or vacancy is to be filled by vote of the Board of Directors and the number of directors then in office is less than a quorum, such newly created directorship or vacancy may be filled by vote of a majority of the directors then in office. A director elected to fill a vacancy, unless elected by the shareholders, shall hold office until the next meeting of shareholders at which the election of directors is in the regular order of business, and until his or her successor has been elected and qualified, and any director elected by the shareholders to fill a vacancy shall hold office for the un expired term of his or her predecessor unless, in either case, he or she shall sooner die, resign or be removed.

ARTICLE III

Officers

Section 1. Election; Qualifications. At the first meeting of the Board of Directors and as soon as practicable after each annual meeting of shareholders, the Board of Directors shall elect or appoint a President, one or more Vice-Presidents, a Secretary and a Treasurer, and may elect or appoint at such time and from time to time such other officers as it may determine. No officer need be a director of the Corporation. Any two or more offices may be held by the same person, except the offices of President and Secretary. When all of the issued and outstand ing stock of the Corporation is owned by one person, such person may hold all or any combination of offices.

Section 2. Term of Office; Vacancies. All officers shall be elected or appointed to hold office until the meeting of the Board of Directors following the next annual meeting of share holders. Each officer shall hold office for such term and until his or her successor has been elected or appointed and qualified unless he or she shall earlier resign, die, or be removed. Any vacancy occurring in any office, whether because of death, resig nation or removal, with or without cause, or any other reason, shall be filled by the Board of Directors.

Section 3. Removal; Resignation. Any officer may be removed by the Board of Directors with or without cause. Any officer may resign his or her office at any time, such resignation to be made in writing and to take effect immediately or on any future date stated in such writing, without acceptance by the Corporation.

Section 4. Powers and Duties of the President. The President shall be the chief executive, operating and administrative officer of the Corporation and shall have general charge and supervision of its business, affairs, administration and opera tions. The President shall from time to time make such reports concerning the Corporation as the Board of Directors may direct. The President shall preside at all meetings of shareholders and the Board of Directors. The President shall have such other powers and shall perform such other duties as may from time to time be assigned to him or her by the Board of Directors.

Section 5. Powers and Duties of the Vice-Presidents. Each of the Vice-Presidents shall have such powers and shall perform such duties as may from time to time be assigned to him or her by the Board of Directors.

Section 6. Powers and Duties of the Secretary. The Sec retary shall record and keep the minutes of all meetings of shareholders and of the Board of Directors. The Secretary shall attend to the giving and serving of all notices by the Corpora tion. The Secretary shall be the custodian of, and shall make or cause to be made the proper entries in, the minute book of the Corporation and such books and records as the Board of Directors may direct. The Secretary shall be the custodian of the seal of the Corporation and shall affix or cause to be affixed such seal to such contracts, instruments and other documents as the Board of Directors may direct. The Secretary shall have such other powers and shall perform such other duties as may from time to time be assigned to him or her by the Board of Directors.

Section 7. Powers-and Duties of the Treasurer. The Trea surer shall be the custodian of all funds and securities of-the Corporation. Whenever required by the Board of Directors, the Treasurer shall render a statement of the Corporation's cash and other accounts, and shall cause to be entered regularly in the proper books and records of the Corporation to be kept for such purpose full and accurate accounts of the Corporation's receipts and disbursements. The Treasurer shall at all reasonable times exhibit the Corporation's books and accounts to any director of the Corporation upon application at the principal office of the corporation during business hours. The Treasurer shall have such other powers and shall perform such other duties as may from time to time be assigned to him or her by the Board of Directors.

Section 8. Delegation. In the event of the absence of any officer of the Corporation or for any other reason that the Board of Directors may deem sufficient, the Board of Directors may at any time and from time to time delegate all or any part of the powers or duties of any officer to any other officer or officers or to any director or directors.

ARTICLE IV

Shares

The shares of the Corporation shall be represented by certificates signed by the President or any Vice-President and by the Secretary, an Assistant Secretary, the Treasurer or an

Assistant Treasurer, and may be sealed with the seal of the Corporation or a facsimile thereof. Each certificate represent ing shares shall state upon the face thereof (a) that the Cor poration is formed under the laws of the State of New York, (b) the name of the person or persons to whom it is issued, (c) the number and class of shares which such certificate represents and (d) the designation of the series, if any, which such certificate represents.

ARTICLE V

Execution of Documents

All contracts, instruments, agreements, bills payable, notes, checks, drafts, warrants or other obligations of the Corporation shall be made in the name of the Corporation and shall be signed by such officer or officers as the Board of Directors may from time to time designate.

ARTICLE VI

Seal

The seal of the Corporation shall contain the name of the Corporation, the words "Corporate Seal", the year of its or ganization and the words "New York".

ARTICLE VII

Indemnification

The Corporation shall indemnify any person to the full extent permitted, and in the manner provided, by the New York Business Corporation Law, as the same now exists or may hereafter be amended.

ARTICLE VIII

Fiscal Year

The fiscal year of the Corporation shall end on December 31 of each year or on such other date as shall be determined by the Board of Directors.

ARTICLE IX

Amendment of By-Laws

Except as otherwise provided by law, these By-Laws may be amended or repealed, and any new By-Law may be adopted, by vote of the holders of the shares at the time entitled to vote in the election of any directors or by a majority of the entire Board of Directors, but any by-law adopted by the Board of Directors may be amended or repealed by the shareholders entitled to vote thereon as herein provided.

EXHIBIT 3.5

CERTIFICATE OF FORMATION

OF

MEDIACOM ARIZONA LLC

The undersigned, an authorized natural person, for the purpose of forming a limited liability company, under the provisions and subject to the requirements of the State of Delaware (particularly Chapter 18, Title 6 of the Delaware Code and the acts amendatory thereof and supplemental thereto, and known, identified, and referred to as the "Delaware Limited Liability Company Act"), hereby certifies that:

FIRST: The name of the limited liability company (hereinafter called the "limited liability company") is Mediacom Arizona LLC.

SECOND: The address of the registered office and the name and address of the registered agent of the limited liability company required to be maintained by Section 18-104 of the Delaware Limited Liability Company Act are The Prentice-Hall Corporation System, Inc., 1013 Centre Road, Wilmington, Delaware 18805.

Executed on September 4, 1996

/s/ David Lubin

David Lubin, Esq.
Sole Organizer
Cooperman Levitt Winikoff
Lester & Newman, P.C.
800 Third Avenue
New York, New York 10022

EXHIBIT 3.6

MEDIACOM CALIFORNIA LLC

OPERATING AGREEMENT

OPERATING AGREEMENT, dated as of March 12, 1996 (this "Agreement"), by and between MEDIACOM LLC, a New York limited liability company, and MEDIACOM MANAGEMENT CORPORATION, a Delaware corporation.

R E C I T A L S

WHEREAS, the Members have agreed to form and operate a limited liability company and desire to establish their respective rights and obligations pursuant to the Delaware Limited Liability Company Act in connection with the operation of MEDIACOM CALIFORNIA LLC.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties executing this Agreement below, intending to be legally bound, agree as follows:

ARTICLE I

DEFINITIONS

1.1 Definitions. In this Agreement, the following terms shall have the meanings set forth below when used in this Agreement with initial capital letters:

(a) "Accounting Period" shall mean, as the context may require, the period commencing on the date of this Agreement or on the day following the last day of the immediately preceding Accounting Period, and ending on the next succeeding of the following: (a) the last day of each fiscal year of the Company; (b) the date upon which the Company shall be dissolved; or (c) any day designated by the Tax Matters Partner as the date upon which an Accounting Period shall end.

(b) "Adjusted Basis" shall mean, as of any date of determination, the Company's adjusted basis in any asset as of such date, as determined for Federal income tax purposes pursuant to Section 1011 of the Code.

(c) "Affiliate" shall mean, with respect to any Person, any other Person controlling, controlled by or under common control with such Person, with "control" for such purpose meaning the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a

Person, whether through the ownership of voting securities or voting interests, by contract or otherwise.

(d) "Agreement" shall mean this Operating Agreement as amended from time to time.

(e) "Capital Account" shall mean as of any date the Capital Contribution to the Company by a Member, adjusted as of such date pursuant to the terms and provisions of this Agreement.

(f) "Capital Contribution" shall mean any contribution by a Member to the capital of the Company in cash, property or services rendered, as set forth on Schedule A.

(g) "Carrying Value" shall mean (i) with respect to any asset (other than cash) included in a Capital Contribution of a Member, the fair market value of such contributed property on the date of contribution reduced, but not below zero, by all depreciation, amortization, and similar expense charged to the Members' Capital Accounts with respect to such property and (ii) with respect to any other asset, the Adjusted Basis thereof.

(h) "CATV Systems" shall mean any cable distribution system that receives broadcast signals by antennae, microwave transmission, satellite transmission or any other form of transmission that amplifies such signals and distributes them.

(i) "Certificate of Formation" shall mean the Certificate of Formation of the Company filed with the Secretary of State of the State of Delaware on November 22, 1995.

(j) "Claims" shall have the meaning set forth in Section 11.2 of this Agreement.

(k) "Code" shall mean the Internal Revenue Code of 1986, as amended, and any successor to that Code.

(l) "Company" shall refer to MEDIACOM CALIFORNIA LLC, a Delaware limited liability company.

(m) "Credit Agreement" shall mean that certain Credit Agreement, dated as of March 8, 1996, by and among the Company, the lenders party thereto, and The Chase Manhattan Bank (National Association), as administrative agent.

(n) "Default Rule" shall mean a rule stated in the Delaware Act:

(i) which structures, defines, or regulates the finances, governance, operations, or other aspects of a limited liability company organized under the Delaware Act, and

(ii) which applies except to the extent it is negated or modified through the provisions of a limited liability company's certificate of formation or operating agreement.

(o) "Delaware Act" shall mean the Delaware Limited Liability Company Act.

(p) "Dissolution Event" shall have the meaning set forth in Section 10.1 of this Agreement.

(q) "Distribution" shall mean any cash and other property paid to a Member by the Company.

(r) "Fiscal Year" shall mean the fiscal year of the Company, which shall be the year ending December 31.

(s) "GAAP" shall mean generally accepted accounting principles applied on a consistent basis.

(t) "Indemnified Persons" shall have the meaning set forth in Section 11.1 of this Agreement.

(u) "Liquidator" shall have the meaning set forth in Section 10.4.1 of this Agreement.

(v) "Loss" shall mean the taxable loss of the Company for any Fiscal Year or portion thereof, as computed for Federal income tax purposes in accordance with Section 703(a) of the Code. For this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code shall be aggregated, but there shall be excluded from such computation any item of income, gain, loss, or deduction which is specifically allocated.

(w) "Mediacom" shall mean Mediacom LLC, a New York limited liability company and a Member holding a 99% Percentage Interest in the Company.

(x) "Mediacom Management" shall mean Mediacom Management Corporation, a Delaware corporation and a Member holding a 1% Percentage Interest in the Company.

(y) "Member" shall mean each Person who executes a counterpart of this Agreement.

(z) "Minimum Gain" shall mean "partnership minimum gain" as defined in Treasury Regulation Section 1.704-2(d).

(aa) "Net Agreed Value" shall mean

(i) in the case of any Capital Contribution other than cash, the fair market value of such property at the time of contribution reduced by any indebtedness secured by such property and assumed or taken subject to by the Company upon such contribution under Section 752 of the Code, and

(ii) in the case of any property (other than cash) distributed to a Member, the fair market value of such property at the time of such distribution reduced by any indebtedness secured by such property and assumed or taken subject to by such Member upon such distribution under Section 752 of the Code.

(cc) "Partner Nonrecourse Debt" shall have the meaning set forth in Treasury Regulation 1.704-2(b)(4).

(dd) "Partner Nonrecourse Debt Minimum Gain" shall have the meaning set forth in Treasury Regulation 1.704-2(i)(3).

(ee) "Percentage Interest" shall mean with respect to any Member, the ratio of the value of the Capital Contribution of such Member to the aggregate value of all Capital Contributions.

(ff) "Person" shall mean any natural person, corporation, governmental authority, limited liability company, partnership, trust, unincorporated association or other commercial or legal entity.

(gg) "Profit" shall mean the taxable income of the Company for any Fiscal Year or portion thereof as computed for Federal income tax purposes in accordance with Section 703(a) of the Code. For this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code shall be aggregated, but there shall be excluded from such computation any item of income, gain, loss, or deduction which is specifically allocated.

(hh) "Records" shall mean:

(1) true and full information regarding the status of the business and financial condition of the Company;

(2) copies of the Company's Federal, state, and local income tax returns;

(3) a current list of the name and last known business, residence, or mailing address of each Member;

(4) a copy of this Agreement, the Certificate of Formation, and all amendments thereto, together with executed copies of any written powers of attorney pursuant to which this Agreement and the Certificate of Formation and all amendments thereto have been executed;

(5) true and full information regarding the amount of cash and a description and statement of the value of any other property or services contributed by each Member and which each Member has agreed to contribute in the future, and the date on which each became a Member;

(6) a copy of each material contract entered into by the Company;

(7) minutes of the meetings of the Members; and

(8) other information regarding the affairs of the Company as required by an act of the Members or as is prudent and desirable in the opinion of the Members.

(ii) "Tax Matters Partner" shall be the Member designated in Section 8.5 hereof.

(jj) "Treasury Regulations" shall mean all proposed, temporary and final regulations promulgated under the Code as from time to time in effect.

(kk) "Unrealized Gain" shall mean, with respect to any asset and as of any date of determination, the excess, if any, of the then current fair market value of such asset over the Carrying Value thereof as of such date.

(ll) "Unrealized Loss" shall mean, with respect to any asset and as of any date of determination, the excess, if any, of the then current Carrying Value of such asset over the fair market value thereof as of such date.

ARTICLE II

RELATIONSHIP OF THIS AGREEMENT TO THE CERTIFICATE OF FORMATION AND TO THE DEFAULT RULES PROVIDED BY THE DELAWARE ACT

2.1 Relationship of this Agreement to the Default Rules Provided by the Delaware Act.

Regardless of whether this Agreement specifically refers to particular Default Rules:

(a) if any provision of this Agreement conflicts with a Default Rule, the provision of this Agreement controls and the Default Rule is modified or negated accordingly, and

(b) if it is necessary to construe a Default Rule as modified or negated in order to effectuate any provision of this Agreement, the Default Rule is modified or negated accordingly.

2.2 Relationship Between this Agreement

and the Certificate of Formation.

If a provision of this Agreement differs from a provision of the Certificate of Formation, then to the extent allowed by law this Agreement shall govern.

ARTICLE III

ORGANIZATION

3.1 Formation. One or more Persons has acted as an organizer to form a limited liability company by preparing, executing and filing the Certificate of Formation attached hereto as Exhibit A pursuant to the Delaware Act.

3.2 Name. The name of the Company is MEDIACOM CALIFORNIA LLC.

3.3 Office of the Company. The principal office of the Company shall be 543 Inyokern Road, Ridgecrest, California 93555. The Company may establish any other places of business as the Members may from time to time deem advisable.

3.4 Registered Agent and Registered Office. The registered agent and registered office of the Company shall be as designated in the Certificate of Formation which is National Corporate Research, Ltd., 9 East Lockerman Street, Dover, Delaware 19901. The registered office and registered agent may be changed from time to time by filing the address of the new registered office and/or the name of the new registered agent with the Secretary of State of the State of Delaware pursuant to the Delaware Act.

3.5 Term. The term of the Company shall be until December 31, 2025, unless the existence of the Company is terminated sooner pursuant to this Agreement or the Delaware Act.

3.6 Purpose. The Company is formed for any lawful business purpose or purposes. The business of the Company is to conduct any lawful business including, directly or through Persons in which the Company invests, to acquire franchises to operate, and to own, invest in, design, construct, maintain, manage and operate, one or more CATV Systems or wireless cable systems, or entities providing telecommunications services, and to do all things reasonably incidental thereto, including borrowing money and securing such borrowings by mortgage, pledge, or other lien, and leasing or disposing of CATV Systems. The initial business of the Company shall be to acquire and operate CATV Systems located in the communities of Ridgecrest, California; China Lake Naval Station, California; San Bernardino County, California and Kern County, California pursuant to that certain Asset Purchase Agreement, dated as of November 6, 1995, between Benchmark Acquisition Fund II Limited Partnership and Mediacom, which Asset Purchase Agreement has been assigned to the Company.

ARTICLE IV

MEMBERS

4.1 Names and Addresses. The names and addresses of the Members are as set forth in Schedule A to this Agreement.

4.2 Additional Members. A Person may be admitted as a member after the date of this Agreement upon the unanimous consent of the Members and upon compliance with the terms of this Agreement and any other conditions imposed by the Members from time to time for the admission of additional or substitute Members.

4.3 Books and Records. The Company shall keep the Records at its principal place of business.

4.4 Information. Each Member and its agents may inspect the Records during ordinary business hours and upon reasonable notice at the principal office the Company.

4.5 Limitation of Liability. Each Member's liability shall be limited as set forth in this Agreement, the Delaware Act and other applicable law. No Member shall be personally liable for any indebtedness, liability or obligation of the Company without entering into a written agreement assuming such personal liability, except that such Member shall remain personally liable for the payment of its Capital Contribution and as otherwise set forth in this Agreement, the Delaware Act and any other applicable law.

4.6 Priority and Return of Car)ital. No Member shall have priority over any other Member, whether for the return of a Capital Contribution or for Profits, Losses, or Distributions; provided, however, that this Section 4.6 shall not apply to loans or other indebtedness (as distinguished from a Capital Contribution) made by a Member to the Company.

4.7 Liability of a Member to the Company. A Member who or which rightfully receives the return of any portion of a Capital Contribution is liable to the Company only to the extent now or hereafter provided by the Delaware Act. A Member who or which receives a Distribution made by the Company in violation of this Agreement or made when the Company's liabilities exceed its assets (after giving effect to such Distribution) shall be liable to the Company for the amount of such Distribution.

4.8 Financial Adjustments. No Members admitted after the date of this Agreement shall be entitled to any retroactive allocation of losses, income or expense deductions incurred by the Company. The Tax Matters Partner may, in its discretion, at the time a Member is admitted, close the books and records of the Company (as though the Fiscal Year had ended) or make pro rata allocations of loss, income and expense deductions to such Member for that portion of the Fiscal Year in which such Member was admitted in accordance with the Code.

ARTICLE V

MANAGEMENT

5.1 Management. The Company shall be managed by its Members. Each Member shall have the right to act for and bind the Company in its ordinary course of its business. In order to effectively manage the operations of the Company, the Members hereby authorize and ratify the execution, delivery and performance by the Company of the Management Agreement, dated as of the date hereof, between the Company and Mediacom Management, a Member, and the compensation set forth therein.

5.2 Meeting of and Voting by the Members.

5.2.1 Meetings; Notice. Meetings of the Members may be called at any time by any Member and shall be held at the Company's principal office or at any other place, within or outside the State of Delaware, designated in any notice of such meeting. If no such designation is made, the place of any such meeting shall be the principal office of the Company. Written or oral notice stating the place, day and hour of the meeting indicating that it is being issued by or at the direction of the Member calling the meeting, stating the purpose or purposes for which the meeting is called shall be delivered no fewer than ten nor more than sixty days before the date of the meeting. Notice of a meeting need not be given to any Member who submits a signed waiver of notice, in person or by proxy, whether before or after the meeting. The attendance of a Member at a meeting, in person or by proxy, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice by it.

5.2.2 Record Date. For the purpose of determining the Members entitled to notice of or to vote at any meeting of Members or any adjournment of such meeting, or Members entitled to receive payment of any Distribution, or to make a determination of Members for any other purpose, the date on which notice of the meeting is mailed or the date on which the resolution declaring Distribution is adopted, as the case may be, shall be the record date for making such a determination. When a determination of Members entitled to vote at any meeting of Members has been made pursuant to this Section, the determination shall apply to any adjournment of the meeting.

5.2.3 Quorum; Manner of Acting. Members holding not less than all the Percentage Interests, represented in person or by proxy, shall constitute a quorum at any meeting of Members. If a quorum is present at any meeting, the vote or written consent of Members holding all the Percentage Interests shall constitute the act of the Members.

5.2.4 Action by Members Without a Meeting. Whenever the Members of the Company are required or permitted to take any action, such action may be taken without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken shall be signed by each of the Members.

5.2.5 Proxies. A Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Every proxy must be signed by the Member or its attorney-in-fact. No proxy shall be valid after the expiration of three years from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it, except if the proxy states that it is irrevocable and if it is coupled with an interest in law sufficient to support an irrevocable power.

5.2.6 Duties of Members. The Members shall devote such time to the business and affairs of the Company as is necessary to carry out the Members' duties set forth in this Agreement. Each Member shall perform its duties in good faith, in a manner it reasonably believes to be in the best interests of the Company and with such care as an ordinarily prudent person in a similar position would use under similar circumstances. A Member who so performs such duties shall not have any liability by reason of being or having been a Member. Nothing contained in this Agreement shall be deemed to require the Members to manage the Company as its sole and exclusive function and the Members may have other business interests and may engage in other activities in addition to those relating to the Company. Neither the Company nor any Member shall have any right pursuant to this Agreement to share or participate in such other business interests or activities or to the income or proceeds derived therefrom.

5.2.7 Liability and Indemnification. A Member shall not be liable to the Company or the other Member for any loss or damage sustained by the Company or the other Member, unless the loss or damage shall have been the result of fraud, the gross negligence or willful misconduct of such Member.

5.2.8 Officers. The Members may designate one or more individuals as officers of the Company, who shall have such titles and exercise and perform such powers and duties as shall be assigned to them from time to time by the Members. Any officer may be removed by the Members at any time, with or without cause. Each officer shall hold office until his or her successor is elected and qualified. Any number of offices may be held by the same individual. The salaries and other compensation of the officers shall be fixed by the Members.

5.3 Management Fees and other Expenses. Except as provided in the Management Agreement dated as of the date hereof between the Company and Mediacom Management Corporation, neither the Company nor any of its subsidiaries shall pay, or reimburse any Person for paying, any fees or expenses (including out-of-pocket expenses or allocated overhead), in respect of the executive management of the business or operations of the Company or any of its subsidiaries.

ARTICLE VI

CAPITAL CONTRIBUTIONS

6.1 Capital Contributions . Each Member shall contribute the amount set forth in Schedule A to this Agreement as the Capital Contribution to be made by such member.

6.2 Additional Contributions. Except as set forth in Section 6.1 of this Agreement, no Member shall be required to make any Capital Contribution.

6.3 Capital Accounts. A Capital Account shall be maintained for each Member in accordance with Section 8.2 of this Agreement.

6.4 Transfers. Upon a permitted sale or other transfer of Percentage Interests in the Company, the Capital Account relating to such transferred Percentage Interest shall become the Capital Account of the Person to which or whom such Percentage Interest is sold or transferred in accordance with Section 8.2(c) of this Agreement.

6.5 Modifications. The manner in which Capital Accounts are to be maintained pursuant to this Agreement is intended to comply with the requirements of Section 704(b) of the Code. If in the opinion of the Tax Matters Partner, on the advice of the Company's accountants, the manner in which Capital Accounts are to be maintained pursuant to this Agreement should be modified to comply with Section 704(b) of the Code, then the method in which Capital Accounts are maintained shall be so modified; provided, however, that any change in the manner of maintaining Capital Accounts shall not materially alter the economic agreement between or among the Members as expressed in this Agreement without the consent of each Member.

6.6 Deficit Capital Account. Except as otherwise required in the Delaware Act or this Agreement, no Member shall have any liability to restore all or any portion of a deficit balance in a Capital Account.

6.7 Withdrawal or Reduction of Capital Contributions. A Member shall not receive from the Company any portion of a Capital Contribution until all indebtedness, liabilities of the Company, except any indebtedness, liabilities and obligations to Members on account of their Capital Contributions, have been paid or there remains property of the Company sufficient to pay them. A Member, irrespective of the nature of the Capital Contribution of such Member, has only the right to demand and receive cash in return for such Capital Contribution.

6.8 No Rights of Redemption or Return of Contribution. Except in accordance with the provisions of this Agreement, no Member has a right to have its Membership Interests or its Capital Contributions returned prior to the dissolution of the Company.

ARTICLE VII

Allocations and Distributions

7.1 Allocation of Profits and Losses.

(a) Profits for each Accounting Period shall be allocated among the Members as follows:

(1) First, to the Members with deficit Capital Account balances at the end of such Accounting Period (but prior to any allocation of Profits pursuant to this Section 7.1(a)), in proportion to such deficits, until such deficits are reduced to zero;

(2) Second, to the Members if Members' Capital Accounts do not correspond to their Percentage Interests at the end of such Accounting Period (after the allocation of Profits provided for in Section 7.1(a)(1), but prior to any other allocations of Profits pursuant to this Section 7.1(a)) so as to make Members' Capital Accounts correspond to their Percentage Interests; and

(3) The balance, to the Members in proportion to their Percentage Interests.

(b) Losses shall be allocated ninety-nine percent (99%) to Mediacom and one percent (1%) to Mediacom Management.

7.2 Distributions. All Distributions other than Distributions pursuant to Section 7.4 hereof shall be made to the Members in proportion to the amounts by which their Capital Contributions exceed all Distributions previously made to such Members until each has received amounts in the aggregate equal to its Capital Contribution, and then in proportion to their Percentage Interests.

7.3 No Right to Distributions Except Upon Dissolution of the Company.

The occurrence of a Dissolution Event with respect to the Company shall entitle each Member to receive the Distributions set forth in Section 7.4.

7.4 Distributions Upon Dissolution of the Company. Upon dissolution of the Company:

(a) The Company shall first satisfy (or provide for the satisfaction of) all the Company's debts and other obligations (including any debts to Members and former Members, including any amounts owing in respect of Affiliate Subordinated Indebtedness, as that term is defined in the Credit Agreement, and any amounts due and owing Mediacom Management and deferred pursuant to the terms of the Credit Agreement but excluding other obligations to Members and former Members).

(b) The Company shall distribute its remaining assets to the Members and any former Members whose interests have not been previously redeemed as follows:

(1) First, to the Members in proportion to the amounts by which their Capital Contributions exceed previous Distributions until each has received amounts in the aggregate equal to its Capital Contribution; and

(2) The balance to the Members in proportion to their Percentage Interests.

(c) Notwithstanding the foregoing provisions of Section 7.4(b), upon the dissolution of the Company, all Distributions shall be made to the Members in proportion to the positive balances of such Members' Capital Accounts (after such Capital Accounts have been adjusted to take into account all events related to such dissolution) and (after all Members have a zero balance in their Capital Accounts) all Distributions shall be made as provided in Section 7.4(b).

7.5 Offset. The Company may offset all amounts owing to the Company by a Member against any Distribution to be made to such Member.

7.6 Limitation Upon Distributions. No Distribution shall be declared and paid unless, after such Distribution is made, the assets of the Company are in excess of all liabilities of the Company.

7.7 Interest on and Return of Capital Contributions. No Member shall be entitled to interest on its Capital Contribution or to a return of its Capital Contribution, except as specifically set forth in this Agreement.

ARTICLE VIII

Tax Matters

8.1 Tax Characterization and Returns.

(a) The Members acknowledge that the Company will be treated as a "partnership" for Federal and state tax purposes. All provisions of this Agreement and the Certificate of Formation are to be construed so as to preserve that tax status.

(b) Within ninety (90) days after the end of each Fiscal Year, the Tax Matters Partner will cause to be delivered to each Person who was a Member at any time during such Fiscal Year a Form K-1 and such other information, if any, with respect to the Company as may be necessary for the preparation of each Member's Federal or state income tax (or information) returns, including a statement showing each Member's share of income, gain or loss, and credits for the Fiscal Year.

8.2 Capital Accounts.

(a) The Capital Account of each Member shall be increased by

(1) the amount of all Capital Contributions made by such Member (which amount, in the case of contributed property other than cash, shall be the Net Agreed Value thereof) and

(2) all Profit and each item of income and gain which is allocated to the Member pursuant to Section 7.1, 8.3(b), and 8.3(c) hereof (computed in each instance with the adjustments detailed in Section 8.2(b) below)

and decreased by

(x) all Loss and each item of loss and deduction which is allocated to the Member pursuant to Section 7.1, 8.3(b), and 8.3(c)(computed in each instance with the adjustments detailed in Section 8.2(b) below) and

(y) all cash and the Net Agreed Value of any property distributed by the Company to such Member pursuant to this Agreement.

(b) Solely for the purposes of maintaining the Members' Capital Accounts, the Profit or Loss of the Company and each item of income, gain, loss, or deduction which is specially allocated pursuant to Section 8.3(b) and 8.3(c) shall be adjusted as follows:

(1) Any income of the Company that is exempt from Federal income tax shall be added to such Profit or Loss;

(2) all deductions for depreciation, cost recovery, amortization, or similar items attributable to any property (other than cash) contributed by a Member to the Company (including adjustments under Section 48(q) of the Code) shall be determined as if the Adjusted Basis of such property on the date of contribution was equal to the Carrying Value of such property on such date, in accordance with Treasury Regulation Section 1.704 l(b)(2)(iv)(g);

(3) Any income, gain or loss attributable to the taxable disposition of any asset shall be determined by the Company as if the Adjusted Basis of such asset as of the date of disposition were equal to the Carrying Value of such asset as of such date;

(4) All fees and other expenses incurred by the Company to promote the sale of (or to sell) an interest that can neither be deducted nor amortized under Section 709 of the Code shall be treated as an item of deduction.

(5) The computation of all items of income, gain, loss, and deduction shall be made without regard to any adjustment in the basis of Company asset as a result of an election under Section 754 of the Code which may be made by the Company (except to the extent required by Treasury Regulation Section 1.704-1(b)(2)(iv)(m)) and, as to those items described in Section 705(a)(2)(B) of the Code, without regard to the fact that such items are neither currently deductible nor capitalizable for Federal income tax purposes; and

(6) In the event that any Distribution is made to a Member other than in cash (including liquidating Distributions), the Capital Accounts of the Members, immediately prior to such distribution, shall be appropriately adjusted upward or downward to reflect any Unrealized Gain or Unrealized Loss attributable to the distributed property (determined on the basis of the fair market value of the property at the time of distribution).

(c) A transferee will succeed to the Capital Account (or such portion thereof) relating to the interest transferred, and there shall be no adjustment to the Capital Accounts as a result of such transfer except as otherwise required under Treasury Regulation Section 1.704-1. If, however, the transfer causes a termination of the Company under Section 708(b)(1)(B) of the Code, the assets shall be deemed to have been distributed in liquidation of the Company to the remaining Members (including such transferee) and recontributed by such Members and such transferee in reconstitution of the Company, and the Capital Accounts of the Members in such reconstituted Company shall at such time be determined, and shall thereafter be maintained, in accordance with the rules set forth in this Agreement.

Section 8.3 Special Tax Rules

(a) Special Rules Relating to Contributed Property.

Solely for tax purposes (and not for Capital Account purposes), in the case of any property (other than cash) included in a Capital Contribution, items of income, gain, loss, deduction, and credit attributable to such contributed property shall be allocated as follows:

(1) first, among the Members in a manner that takes into account the variation between the fair market value of such property and its Adjusted Basis at the time of contribution (in accordance with Section 704(c) of the Code and applicable Regulations), and

(2) thereafter, in accordance with Section 7.1 and the other provisions of this Article.

(b) Guaranteed Payments. Notwithstanding the foregoing, in the event that any fees, interest, or other amounts paid or payable to any Member are deducted by the Company in reliance on Sections 707(a) or 707(c) of the Code, and such fees, interest, or other amounts are disallowed as deductions to the Company and are recharacterized as Company distributions, there shall be allocated to such Member, prior to the allocations provided in section 7.1, an amount of Company gross income for the year in which such fees, interest, or other amounts are treated as Company distributions equal to such fees, interest, or other amounts so treated as distributions.

(c) Special Overrides. (1) Solely for purposes of determining a Member's Capital Account in applying the provisions of this clause (c), the anticipated adjustments, allocations, and distributions described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4)-(6) shall be taken into account, and each Member shall be deemed obligated to restore any deficit in its Capital Account to the extent of the sum of its share of the Minimum Gain, as determined pursuant to Treasury Regulation Section 1.704-2(g)(i), and its share of the Partner Nonrecourse Debt Minimum Gain, as determined pursuant to Treasury Regulation Section 1.704 2(i)(5).

(2) Notwithstanding any other provision of this Agreement, no allocation of Loss, or other allocation of loss or deduction, shall be made to any Member if such allocation would result in such Member having a negative balance in its Capital Account at the close of any Fiscal Year in excess of the amount it would be required to restore on a liquidation of the Company at the close of such Fiscal Year (or a liquidation of such Member's interest in the Company).

(3) Notwithstanding any other provision of this Agreement, in the event any Member unexpectedly receives an adjustment, allocation, or distribution described in clause (4), (5), or (6) of Treasury Regulation Section 1.704-1(b)(2)(ii)(d) that results in such Member having a negative balance in its Capital Account at the close of any Fiscal Year in excess of the amount that it is required to restore on a liquidation of the Company at the close of such Fiscal Year (or of the Member's interest in the Company), or for any other reason has a deficit Capital Account balance in excess of such amount, such Member shall, prior to the allocations otherwise provided in this Section, be allocated Profit (and other income and gain) in an amount and manner sufficient to eliminate such excess as promptly as possible.

(4) In accordance with and pursuant to Treasury Regulation 1.704-2(i)(1), all partner nonrecourse deductions (as defined in that Regulation) shall be allocated to the Member that bears the economic risk of loss on the debt giving rise to such deductions as determined under that Regulation. Further, in accordance with and pursuant to Treasury Regulation 1.704-2(f) and -2(i)(4) (and subject to the exceptions set forth therein), if there is a net decrease in either the Company's Minimum Gain or Partner Nonrecourse Debt Minimum Gain or both during any Fiscal Year, all Members shall be allocated, before any other allocation is made of Profit (and other income and gain) or

Loss (or other loss or deduction) for such Fiscal Year, items of income and gain for such Fiscal Year (and, if necessary, subsequent years) in an amount equal to the Member's share in the decrease in Minimum Gain or Partner Nonrecourse Debt Minimum Gain, as determined pursuant to Treasury Regulation Sections 1.704-2(g)(2) and 1.704-2(i)(4).

(5) It is the intent of the parties to this Agreement that the chargeback provisions and the limitation on loss allocations provided in this Section satisfy the "allocation of nonrecourse liability" rules provided in Treasury Regulation 1.704-2 and the requirements of Treasury Regulation 1.704-1(b) (2)(ii) (d) (relating to the alternate test for economic effect and "qualified income offset). It is further intended that the allocations under this Section shall effect an allocation for Federal income tax purposes in a manner consistent with Section 704(b) and (c) of the Code and comply with any limitations or restrictions therein. If for any reason the allocations contained in this Agreement shall conflict with the Regulations promulgated under Section 704 of the Code, the Members acknowledge that such Regulations shall control.

(6) The allocations set forth in this Section (the "Regulatory Allocations") are intended to comply with certain requirements of Treasury Regulations Section 1.704-1(b). The Regulatory Allocations may not be consistent with the manner in which the Members intend to divide Company Distributions. Accordingly, the Tax Matters Partner (or any successor thereto) is hereby authorized, with the advice of the company's accountants, to devise other allocations of income, gains and losses and other items among the Members as may be necessary so as to prevent the Regulatory Allocations from distorting the manner in which Company Distributions will be divided among the Members;

provided, however, that any change in the manner of maintaining Capital Accounts shall not materially alter the economic agreement between or among the

Members as expressed in this Agreement without the consent of each Member. In general, the Members anticipate that this will be accomplished by specially allocating items of income, gain, loss and deduction among the Members so that the net amount of the Regulatory Allocations and such special allocations to such Member is zero. However, the Tax Matters Partner shall have discretion to accomplish this result in any reasonable manner.

8.4 Accounting Decisions

(a) Subject to the provisions of this Agreement, the Tax Matters Partner will make all decisions as to accounting matters.

(b) Subject to the provisions of this Agreement, the Tax Matters Partner may cause the Company to make whatever elections the Company may make under the Code, including the election referred to in Section 754 of the Code to adjust the basis of Company assets.

(c) The Company shall make the following elections on the appropriate tax returns:

(1) To adopt the calendar year as the Fiscal Year;

(2) To adopt the accrual method of accounting for income tax purposes and keep the Company's books and records in accordance with GAAP;

(3) If a Distribution as described in Section 734 of the Code occurs or if a transfer of a Membership Interest described in Section 743 of the Code occurs, upon the written request of any Member, to elect to adjust the basis of the property of the Company pursuant to Section 754 of the Code;

(4) To elect to amortize the organizational expenses of the Company and the start up expenditures of the Company under Section 195 of the Code ratably over a period of sixty months as permitted by Section 709(b) of the Code; and

(5) Any other election that the Tax Matters Partner may deem appropriate and in the best interests of the Members. Neither the Company nor any Member may make an election for the Company to be excluded from the application of Subchapter K of Chapter I of Subtitle A of the Code or any similar provisions of applicable state law, and no provisions of this Agreement shall be interpreted to authorize any such election.

8.5 Tax Matters Partner. Mediacom Management Corporation shall be the "tax matters partner" of the Company pursuant to Section 6231(a)(7) of the Code. Any Member who is designated as successor Tax Matters Partner shall take any action as may be necessary to cause each other Member to become a "notice partner" within the meaning of Section 6223 of the Code. The Tax Matters Partner shall not extend the statute of limitations, compromise any tax controversy or take any other material action except after consultation with the Members.

8.6 Tax Returns. The Tax Matters Partner shall cause to be prepared and filed all necessary Federal and state income tax returns for the Company. Each Member shall furnish to the Tax Matters Partner all pertinent information in its possession relating to Company operations that is necessary to enable the Company's income tax returns to be prepared and filed.

8.7 Tax Withholdings. The Company shall at all time be entitled to make payments with respect to any Member in amounts required to discharge any legal obligation of the Company pursuant to any provision of the Code or any other tax provision or any provision enacted in the future imposing a similar obligation on the Company to withhold or make payments to any governmental authority with respect to any United States federal, state or local tax liability of such Member arising as a result of such Member's interest in the Company. Each such payment made to any governmental authority shall be deemed to be a loan by the Company to such Member and shall not be deemed to be a distribution. The amount of such payments made with respect to any Member, plus interest at an annual rate equal to two percent plus the Company's highest borrowing rate on each such amount from the date of each such payment until such amount is repaid to the Company, shall be repaid to the Company by (i) deduction from the current or next succeeding distribution or distributions otherwise payable to such Member pursuant to this Agreement or (ii) earlier payment of such amounts and interest by such Member to the Company.

ARTICLE IX

Transfers

No Member may transfer, sell, gift, or otherwise dispose of all, or any portion of, or any interest or rights in, the Percentage Interest owned by the Member without the consent of all of the Members. Each Member hereby acknowledges the reasonableness of this prohibition in view of the purposes of the Company and the relationship among the members of the Members. The transfer of any Percentage Interest in violation of the prohibition contained in this Article IX shall be deemed invalid, null and void, and of no force and effect. Any Person to whom Percentage Interests are attempted to be transferred in violation of this Article IX shall not be entitled to vote on matters coming before the Members, participate in the management of the Company, act as an agent of the Company, receive Distributions or have any other rights in or with respect to the Percentage Interests. Notwithstanding the foregoing, each of the Members hereby consents to the pledge of the Percentage Interests pursuant to the Guarantee and Pledge Agreement dated as of March 12, 1996, between each of the Members and The Chase Manhattan Bank (National Association) , as Administrative Agent (and to any successor pledge securing any increase, extension, renewal or refinancing of the indebtedness secured by such Guarantee and Pledge) , and consents to any transfer of Percentage Interests upon any foreclosure or other exercise of remedies in respect of such pledge.

ARTICLE X

Dissolution; winding Up

10.1 Dissolution. The Company shall be dissolved upon the happening of any of the following events (each, a "Dissolution Event"):

(a) when the period fixed for its duration in Section 3.5 has expired;

(b) upon the vote of all the Members;

(c) the occurrence of an event which would result in there being only one Member remaining in the Company;

(d) the occurrence of an event described in Section 18-304 of the Delaware Act regarding bankruptcy or insolvency of any Member; or

(e) the entry of a decree of judicial dissolution under the Delaware Act.

10.2 Voluntary Withdrawal. Except as expressly permitted in this Agreement, a Member shall not voluntarily withdraw or take any other voluntary action which, directly or indirectly, causes a Dissolution Event.

10.3 Effect of Dissolution. Except as permitted by the Delaware Act, upon dissolution the Company shall cease to carry on its business and shall file a Certificate of Cancellation as provided in Section 18-203 of the Delaware Act.

10.4 Winding Up, Liquidation and Distribution of Assets.

10.4.1 Upon dissolution, an accounting shall be made by the Company's independent accountants of the accounts of the Company and of the Company's assets, liabilities and operations, from the date of the previous accounting until the date of the Dissolution Event. The Member appointed by the other Member as the liquidator (the "Liquidator") shall immediately proceed to wind up the affairs of the Company.

10.4.2 If the Company is dissolved and its affairs are to be wound up, the Liquidator shall:

(i) Sell or otherwise liquidate all of the Company's assets as promptly as practicable,

(ii) Discharge all liabilities of the Company, including liabilities to Members who are creditors (including with respect to Affiliate Subordinated Indebtedness and any amounts owed to Mediacom Management and deferred pursuant to the Credit Agreement), to the extent otherwise permitted by law, other than any liabilities to Members for distributions declared but not yet paid by the Company, and establish such reserves as may be reasonably necessary to provide for contingent liabilities of the Company,

(iii) Allocate any profit or loss resulting from the sales of Company assets to the Members in accordance with this Agreement, and

(iv) Distribute the remaining assets in the following order:

(1) If any assets of the Company are to be distributed in-kind, the net fair market

value of such assets as of the date of the Dissolution Event shall be determined by an independent appraisal or the Tax Matters Partner. Such assets shall be deemed to have been sold as of the date of dissolution for their fair market value, and the Capital Accounts of the Members shall be adjusted pursuant to the provisions of this Agreement to reflect such deemed sale.

(2) In accordance with Section 7.4 hereof, either in cash or in-kind, as determined by the Liquidator, with any assets distributed in-kind being valued for this purpose at their fair market value in accordance with the requirements set forth in Treasury Regulation Section 1.704-1(b)(2)(ii)(b)(2).

10.4.3 Notwithstanding anything to the contrary in this Agreement, upon a liquidation within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(9), if any Member has a deficit Capital Account (after giving effect to all contributions, Distributions, allocations and other Capital Account adjustments for all Fiscal Years, including the year in which the liquidation occurs), such Member shall have no obligation to make any contribution to capital, and the negative balance of such Member's

Capital Account shall not be considered a debt owed by such Member to the Company or to any other Person for any purpose whatsoever.

10.4.5 Upon completion of the winding up, liquidation and distribution of assets, the Company shall be deemed terminated.

10.5 Return of Contributions to Capital Nonrecourse to Other Members. Except as provided by law or as expressly provided in this Agreement, upon dissolution each Member shall look solely to the assets of the Company for the return of its Capital Contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the Capital Contributions of one or more Members, such Member or Members shall have no recourse against any other Member.

ARTICLE XI

INDEMNIFICATION

11.1 Exculpatory Provisions. None of the Members nor any of their respective shareholders, members, partners, officers, directors, employees or control persons (as such term is defined in the Securities Act of 1933, as amended, and the rules and regulations thereunder) of such Members (collectively, the "Indemnified Persons") shall be liable directly or indirectly, to the Company or to any other Member for any act or omission (in relation to the Company or this Agreement) taken or omitted by such Indemnified Person in good faith, provided that such act or omission did not constitute gross negligence, fraud or willful violation of the law or this Agreement.

11.2 Indemnification of Members. The Company shall, to the fullest extent permitted by the Delaware Act, indemnify and hold harmless each Indemnified Person against all claims, liabilities and expenses of whatever nature ("Claims") relating to activities undertaken in connection with the Company, including but not limited to amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel, accountants' and experts' and other fees, costs and expenses reasonably incurred in connection with the investigation, defense or disposition (including by settlement) of any action, suit or other proceeding, whether civil or criminal, before any court or administrative body in which such Indemnified Person may be or may have been involved, as a party or otherwise, or with which such Indemnified Person may be or may have been threatened, while acting as such Indemnified Person, provided that no indemnity shall be payable hereunder against any liability incurred by such Indemnified Person by reason of such Indemnified Person's gross negligence, fraud or willful violation of the law or this Agreement or with respect to any matter as to which such Indemnified Person shall have been adjudicated not to have acted in good faith.

11.3 Advance of Expenses. Expenses incurred by an Indemnified Person in defense or settlement of any Claim that may be subject to a right of indemnification hereunder may be advanced by the Company prior to the final disposition thereof upon receipt of an undertaking by or on behalf of the Indemnified Person to repay such amount if it shall ultimately be determined that the Indemnified Person is not entitled to be indemnified by the Company.

11.4 Control of Claim. The Company shall have the right to select counsel (provided such counsel is reasonably satisfactory to the Indemnified Person) and to control the defense of any action giving rise to a Claim,

provided that an Indemnified Person may nevertheless employ counsel to represent and defend it, but the Company will not be required to pay the fees and disbursements of more than one counsel in any jurisdiction in any proceeding (unless by reason of potential conflicts of interest, representation by more than one counsel is necessary) . The right to control the defense of any action shall not include the right to enter into a settlement with respect to such action, unless such settlement is for money damages only (and the Company first posts a bond or other security satisfactory to the Indemnified Person sufficient, without regard to the provisions of Section 11.6, to cover the full amount of the proposed settlement).

11.5 Non-Exclusivity. The right of any Indemnified Person to the indemnification provided herein shall be cumulative of, and in addition to, any and all rights to which such

Indemnified Person may otherwise be entitled by contract or as a matter of law or equity and shall extend to such Indemnified Person's successors, assigns and legal representatives.

11.6 Satisfaction from Company Assets. All judgments against the Company or an Indemnified Person, in respect of which such Indemnified Person is entitled to indemnification, shall first be satisfied from Company assets before the Indemnified Person is responsible therefor.

11.7 Notices of Claims. Promptly after receipt by an Indemnified Person of notice of the commencement of any action or proceeding or threatened action or proceeding involving a Claim, such Indemnified Person will, if a claim for indemnification in respect thereof is to be made against the Company, give written notice to the Company and each other Member of the commencement of such action, provided that the failure of any Indemnified Person to give notice as provided herein shall not relieve the Company of its obligations under this Article XI, except to the extent that the Company is actually prejudiced by such failure to give notice. Each such Indemnified Person shall keep the Company and each other Member apprised of the progress of any such proceeding.

ARTICLE XII

General Provisions

12.1 Notices. Any notice, demand or other communication required or permitted to be given pursuant to this Agreement shall have been sufficiently given for all purposes if (a) delivered personally to the party or to an executive officer of the party to whom such notice, demand or other communication is directed or (b) sent by registered or certified mail, postage prepaid, addressed to the Member or the Company at its address set forth in this Agreement. Except as otherwise provided in this Agreement, any such notice shall be deemed to be given three business days after the date on which it was deposited in a regularly maintained receptacle for the deposit of United States mail, addressed and sent as set forth in this Section.

12.2 Amendments. This Agreement contains the entire agreement between the Members with respect to the subject matter of this Agreement, and supersedes each course of conduct previously pursued or acquiesced in, and each oral agreement and representation previously made, by the Members with respect thereto, whether or not relied or acted upon. No course of performance or other conduct subsequently pursued or acquiesced in, and no oral agreement or representation subsequently made, by the Members, whether or not relied or acted upon, and no usage of trade, whether or not relied or acted upon, shall amend this Agreement or impair or otherwise affect any Member's obligations pursuant to this Agreement or any rights and remedies of a Member pursuant to this Agreement. No amendment to this Agreement shall be effective unless made in a writing duly executed by all Members and specifically referring to each provision of this Agreement being amended.

12.3 Headings. The headings in this Agreement are for convenience only and shall not be used to interpret or construe any provision of this Agreement.

12.4 Waiver. No failure of a Member to exercise, and no delay by a Member in exercising, any right or remedy under this Agreement shall constitute a waiver of such right or remedy. No waiver by a Member of any such right or remedy under this Agreement shall be effective unless made in a writing duly executed by all Members and specifically referring to each such right or remedy being waived.

12.5 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law. However, if any provision of this Agreement shall be prohibited by or invalid under such law, it shall be deemed modified to conform to the minimum requirements of such law or, if for any reason it is not deemed so modified, it shall be prohibited or invalid only to the extent of such prohibition or invalidity without the remainder thereof or any other such provision being prohibited or invalid.

12.6 Binding. This Agreement shall be binding upon and inure to the benefit of all Members, and to the extent permitted by this Agreement, their respective legal successors and assignees.

12.7 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

12.8 Governing Law. This Agreement shall be governed by, and interpreted and construed in accordance with, the laws of the State of Delaware without regard to principles of conflict of laws.

12.9 Further Assurances. The Members each agree to cooperate, and to execute and deliver in a timely fashion any and all additional documents and do such further acts as may be necessary to effectuate the purposes of the Company and this Agreement.

IN WITNESS WHEREOF, the parties have executed this Operating Agreement as of the date first written above.

MEDIACOM LLC

By: /s/ Rocco B. Commisso

Name: Rocco B. Commisso
Title: Manager

MEDIACOM MANAGEMENT CORPORATION

By: /s/ Rocco B. Commisso

Name: Rocco B. Commisso
Title: President

EXHIBIT 3.7

CERTIFICATE OF FORMATION

OF

MEDIACOM CALIFORNIA LLC

The undersigned, an authorized natural person, for the purpose of forming a limited liability company, under the provisions and subject to the requirements of the State of Delaware (particularly Chapter 18, Title 6 of the Delaware Code and the acts amendatory thereof and supplemental thereto, and known, identified, and referred to as the "Delaware Limited Liability Company Act"), hereby certifies that:

FIRST: The name of the limited liability company (hereinafter called the "limited liability company") is Mediacom California LLC.

SECOND: The address of the registered office and the name and the address of the registered agent of the limited liability company required to be maintained by Section 18-104 of the Delaware Limited Liability Company Act are: National Corporate Research, Ltd., 9 East Lockerman Street, Dover, Delaware 19901.

Executed on November 22, 1995

/s/ David Lubin

David Lubin, Esq.
Sole Organizer
Cooperman Levitt Winikoff
Lester & Newman, P.C.
800 Third Avenue
New York, New York 10022
Authorized Person

EXHIBIT 3.8

MEDIACOM CALIFORNIA LLC
OPERATING AGREEMENT

OPERATING AGREEMENT, dated as of March 12, 1996 (this "Agreement"), by and between MEDIACOM LLC, a New York limited liability company, and MEDIACOM MANAGEMENT CORPORATION, a Delaware corporation.

R E C I T A L S

WHEREAS, the Members have agreed to form and operate a limited liability company and desire to establish their respective rights and obligations pursuant to the Delaware Limited Liability Company Act in connection with the operation of MEDIACOM CALIFORNIA LLC.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties executing this Agreement below, intending to be legally bound, agree as follows:

ARTICLE I
DEFINITIONS

1.1 Definitions. In this Agreement, the following terms shall have the meanings set forth below when used in this Agreement with initial capital letters:

(a) "Accounting Period" shall mean, as the context may require, the period commencing on the date of this Agreement or on the day following the last day of the immediately preceding Accounting Period, and ending on the next succeeding of the following: (a) the last day of each fiscal year of the Company; (b) the date upon which the Company shall be dissolved; or (c) any day designated by the Tax Matters Partner as the date upon which an Accounting Period shall end.

(b) "Adjusted Basis" shall mean, as of any date of determination, the Company's adjusted basis in any asset as of such date, as determined for Federal income tax purposes pursuant to Section 1011 of the Code.

(c) "Affiliate" shall mean, with respect to any Person, any other Person controlling, controlled by or under common control with such Person, with "control" for such purpose meaning the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities or voting interests, by contract or otherwise.

(d) "Agreement" shall mean this Operating Agreement as amended from time to time.

(e) "Capital Account" shall mean as of any date the Capital Contribution to the Company by a Member, adjusted as of such date pursuant to the terms and provisions of this Agreement.

(f) "Capital Contribution" shall mean any contribution by a Member to the capital of the Company in cash, property or services rendered, as set forth on Schedule A.

(g) "Carrying Value" shall mean (i) with respect to any asset (other than cash) included in a Capital Contribution of a Member, the fair market value of such contributed property on the date of contribution reduced, but not below zero, by all depreciation, amortization, and similar expense charged to the Members' Capital Accounts with respect to such property and (ii) with respect to any other asset, the Adjusted Basis thereof.

(h) "CATV Systems" shall mean any cable distribution system that receives broadcast signals by antennae, microwave transmission, satellite transmission or any other form of transmission that amplifies such signals and distributes them.

(i) "Certificate of Formation" shall mean the Certificate of Formation of the Company filed with the Secretary of State of the State of Delaware on November 22, 1995.

(i) "Claims" shall have the meaning set forth in Section 11.2 of this Agreement.

(k) "Code" shall mean the Internal Revenue Code of 1986, as amended, and any successor to that Code.

(1) "Company" shall refer to MEDIACOM CALIFORNIA LLC, a Delaware limited liability company.

(m) "Credit Agreement" shall mean that certain Credit Agreement, dated as of March 8, 1996, by and among the Company, the lenders party thereto, and The Chase Manhattan Bank (National Association), as administrative agent.

(n) "Default Rule" shall mean a rule stated in the Delaware Act:

(i) which structures, defines, or regulates the finances, governance, operations, or other aspects of a limited liability company organized under the Delaware Act, and

(ii) which applies except to the extent it is negated or modified through the provisions of a limited liability company's certificate of formation or operating agreement.

(o) "Delaware Act" shall mean the Delaware Limited Liability Company Act.

(p) "Dissolution Event" shall have the meaning set forth in Section 10.1 of this Agreement.

(q) "Distribution" shall mean any cash and other property paid to a Member by the Company.

(r) "Fiscal Year" shall mean the fiscal year of the Company, which shall be the year ending December 31.

(s) "GAAP" shall mean generally accepted accounting principles applied on a consistent basis.

(t) "Indemnified Persons" shall have the meaning set forth in Section 11.1 of this Agreement.

(u) "Liquidator" shall have the meaning set forth in Section 10.4.1 of this Agreement.

(v) "Loss" shall mean the taxable loss of the Company for any Fiscal Year or portion thereof, as computed for Federal income tax purposes in accordance with Section 703(a) of the Code. For this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code shall be aggregated, but there shall be excluded from such computation any item of income, gain, loss, or deduction which is specifically allocated.

(w) "Mediacom" shall mean Mediacom LLC, a New York limited liability company and a Member holding a 99% Percentage Interest in the Company.

(x) "Mediacom Management" shall mean Mediacom Management Corporation, a Delaware corporation and a Member holding a 1% Percentage Interest in the Company.

(y) "Member" shall mean each Person who executes a counterpart of this Agreement.

(z) "Minimum Gain" shall mean "partnership minimum gain" as defined in Treasury Regulation Section 1.704-2(d).

(aa) "Net Agreed Value" shall mean

(i) in the case of any Capital Contribution other than cash, the fair market value of such property at the time of contribution reduced by any indebtedness secured by such property and assumed or taken subject to by the Company upon such contribution under Section 752 of the Code, and

(ii) in the case of any property (other than cash) distributed to a Member, the fair market value of such property at the time of such distribution reduced by any indebtedness secured by such property and assumed or taken subject to by such Member upon such distribution under Section 752 of the Code.

(ab) "Partner Nonrecourse Debt" shall have the meaning set forth in Treasury Regulation 1.704-2(b)(4).

(ac) "Partner Nonrecourse Debt Minimum Gain" shall have the meaning set forth in Treasury Regulation 1.704-2(i)(3).

(ad) "Percentage Interest" shall mean with respect to any Member, the ratio of the value of the Capital Contribution of such Member to the aggregate value of all Capital Contributions.

(ae) "Person" shall mean any natural person, corporation, governmental authority, limited liability company, partnership, trust, unincorporated association or other commercial or legal entity.

(af) "Profit" shall mean the taxable income of the Company for any Fiscal Year or portion thereof as computed for Federal income tax purposes in accordance with Section 703(a) of the Code. For this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code shall be aggregated, but there shall be excluded from such computation any item of income, gain, loss, or deduction which is specifically allocated.

(ag) "Records" shall mean:

(1) true and full information regarding the status of the business and financial condition of the Company;

(2) copies of the Company's Federal, state, and local income tax returns;

(3) a current list of the name and last known business, residence, or mailing address of each Member;

(4) a copy of this Agreement, the Certificate of Formation, and all amendments thereto, together with executed copies of any written powers of attorney pursuant

to which this Agreement and the Certificate of Formation and all amendments thereto have been executed;

(5) true and full information regarding the amount of cash and a description and statement of the value of

any other property or services contributed by each Member and which each Member has agreed to contribute in the future, and the date on which each became a Member;

(6) a copy of each material contract entered into by the Company;

(7) minutes of the meetings of the Members; and

(8) other information regarding the affairs of the Company as required by an act of the Members or as is prudent and desirable in the opinion of the Members.

(ah) "Tax Matters Partner" shall be the Member designated in Section 8.5 hereof.

(ai) "Treasury Regulations" shall mean all proposed, temporary and final regulations promulgated under the Code as from time to time in effect.

(aj) "Unrealized Gain" shall mean, with respect to any asset and as of any date of determination, the excess, if any, of the then current fair market value of such asset over the Carrying Value thereof as of such date.

(ak) "Unrealized Loss" shall mean, with respect to any asset and as of any date of determination, the excess, if any, of the then current Carrying Value of such asset over the fair market value thereof as of such date.

ARTICLE II

RELATIONSHIP OF THIS AGREEMENT TO THE CERTIFICATE OF FORMATION AND TO THE DEFAULT RULES PROVIDED BY THE DELAWARE ACT

2.1 Relationship of this Agreement to the Default Rules Provided by the Delaware Act.

Regardless of whether this Agreement specifically refers to particular Default Rules:

(a) if any provision of this Agreement conflicts with a Default Rule, the provision of this Agreement controls and the Default Rule is modified or negated accordingly, and

(b) if it is necessary to construe a Default Rule as modified or negated in order to effectuate any provision of this Agreement, the Default Rule is modified or negated accordingly.

2.2 Relationship Between this Agreement and the Certificate of Formation.

If a provision of this Agreement differs from a provision of the Certificate of Formation, then to the extent allowed by law this Agreement shall govern.

ARTICLE III

ORGANIZATION

3.1 Formation. One or more Persons has acted as an organizer to form a limited liability company by preparing, executing and filing the Certificate of Formation attached hereto as Exhibit A pursuant to the Delaware Act.

3.2 Name. The name of the Company is MEDIACOM CALIFORNIA LLC.

3.3 Office of the Company. The principal office of the Company shall be 543 Inyokern Road, Ridgecrest, California 93555. The Company may establish any other places of business as the Members may from time to time deem advisable.

3.4 Registered Agent and Registered Office. The registered agent and registered office of the Company shall be as designated in the Certificate of Formation which is National Corporate Research, Ltd., 9 East Lockerman Street, Dover, Delaware 19901. The registered office and registered agent may be changed from time to time by filing the address of the new registered office and/or the name of the new registered agent with the Secretary of State of the State of Delaware pursuant to the Delaware Act.

3.5 Term. The term of the Company shall be until December 31, 2025, unless the existence of the Company is terminated sooner pursuant to this Agreement or the Delaware Act.

3.6 Purpose. The Company is formed for any lawful business purpose or purposes. The business of the Company is to conduct any lawful business including, directly or through Persons in which the Company invests, to acquire franchises to operate, and to own, invest in, design, construct, maintain, manage and operate, one or more CATV Systems or wireless cable systems, or entities providing telecommunications services, and to do all things reasonably incidental thereto, including borrowing money and securing such borrowings by mortgage, pledge, or other lien, and leasing or disposing of CATV Systems. The initial business of the Company shall be to acquire and operate CATV Systems located in the communities of Ridgecrest, California; China Lake Naval Station, California; San Bernardino County, California and Kern County, California pursuant to that certain Asset Purchase Agreement, dated as of November 6, 1995, between Benchmark Acquisition Fund II Limited Partnership and Mediacom, which Asset Purchase Agreement has been assigned to the Company.

ARTICLE IV

MEMBERS

4.1 Names and Addresses. The names and addresses of the Members are as set forth in Schedule A to this Agreement.

4.2 Additional Members. A Person may be admitted as a member after the date of this Agreement upon the unanimous consent of the Members and upon compliance with the terms of this Agreement and any other conditions imposed by the Members from time to time for the admission of additional or substitute Members.

4.3 Books and Records. The Company shall keep the Records at its principal place of business.

4.4 Information. Each Member and its agents may inspect the Records during ordinary business hours and upon reasonable notice at the principal office the Company.

4.5 Limitation of Liability. Each Member's liability shall be limited as set forth in this Agreement, the Delaware Act and other applicable law. No Member shall be personally liable for any indebtedness, liability or obligation of the Company without entering into a written agreement assuming such personal liability, except that such Member shall remain personally liable for the payment of its Capital Contribution and as otherwise set forth in this Agreement, the Delaware Act and any other applicable law.

4.6 Priority and Return of Capital. No Member shall have priority over any other Member, whether for the return of a Capital Contribution or for Profits, Losses, or Distributions; provided, however, that this Section 4.6 shall not apply to loans or other indebtedness (as distinguished from a Capital Contribution) made by a Member to the Company.

4.7 Liability of a Member to the Company. A Member who or which rightfully receives the return of any portion of a Capital Contribution is liable to the Company only to the extent now or hereafter provided by the Delaware Act. A Member who or which receives a Distribution made by the Company in violation of this Agreement or made when the Company's liabilities exceed its assets (after giving effect to such Distribution) shall be liable to the Company for the amount of such Distribution.

4.8 Financial Adjustments. No Members admitted after the date of this Agreement shall be entitled to any retroactive allocation of losses, income or expense deductions incurred by the Company. The Tax Matters Partner may, in its discretion, at the time a Member is admitted, close the books and records of the Company (as though the Fiscal Year had ended) or make pro rata allocations of loss, income and expense deductions to such Member for that portion of the Fiscal Year in which such Member was admitted in accordance with the Code.

ARTICLE V

MANAGEMENT

5.1 Management. The Company shall be managed by its Members. Each Member shall have the right to act for and bind the Company in its ordinary course of its business. In order to effectively manage the operations of the Company, the Members hereby authorize and ratify the execution, delivery and performance by the Company of the Management Agreement, dated as of the date hereof, between the Company and Mediacom Management, a Member, and the compensation set forth therein.

5.2 Meeting of and Voting by the Members.

5.2.1 Meetings; Notice. Meetings of the Members may be called at any time by any Member and shall be held at the Company's principal office or at any other place, within or outside the State of Delaware, designated in any notice of such meeting. If no such designation is made, the place of any such meeting shall be the principal office of the Company. Written or oral notice stating the place, day and hour of the meeting indicating that it is being issued by or at the direction of the Member calling the meeting, stating the purpose or purposes for which the meeting is called shall be delivered no fewer than ten nor more than sixty days before the date of the meeting. Notice of a meeting need not be given to any Member who submits a signed waiver of notice, in person or by proxy, whether before or after the meeting. The attendance of a Member at a meeting, in person or by proxy, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice by it.

5.2.2 Record Date. For the purpose of determining the Members entitled to notice of or to vote at any meeting of Members or any adjournment of such meeting, or Members entitled to receive payment of any Distribution, or to make a determination of Members for any other purpose, the date on which notice of the meeting is mailed or the date on which the resolution declaring Distribution is adopted, as the case may be, shall be the record date for making such a determination. When a determination of Members entitled to vote at any meeting of Members has been made pursuant to this Section, the determination shall apply to any adjournment of the meeting.

5.2.3 Quorum; Manner of Acting. Members holding not less than all the Percentage Interests, represented in person or by proxy, shall constitute a quorum at any meeting of Members. If a quorum is present at any meeting, the vote or written consent of Members holding all the Percentage Interests shall constitute the act of the Members.

5.2.4 Action by Members Without a Meeting. Whenever the Members of the Company are required or permitted to take any action, such action may be taken without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken shall be signed by each of the Members.

5.2.5 Proxies. A Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Every proxy must be signed by the Member or its attorney-in-fact. No proxy shall be valid after the expiration of three years from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it, except if the proxy states that it is irrevocable and if it is coupled with an interest in law sufficient to support an irrevocable power.

5.2.6 Duties of Members. The Members shall devote such time to the business and affairs of the Company as is necessary to carry out the Members' duties set forth in this Agreement. Each Member shall perform its duties in good faith, in a manner it reasonably believes to be in the best interests of the

Company and with such care as an ordinarily prudent person in a similar position would use under similar circumstances. A Member who so performs such duties shall not have any liability by reason of being or having been a Member. Nothing contained in this Agreement shall be deemed to require the Members to manage the Company as its sole and exclusive function and the Members may have other business interests and may engage in other activities in addition to those relating to the Company. Neither the Company nor any Member shall have any right pursuant to this Agreement to share or participate in such other business interests or activities or to the income or proceeds derived therefrom.

5.2.7 Liability and Indemnification. A Member shall not be liable to the Company or the other Member for any loss or damage sustained by the Company or the other Member, unless the loss or damage shall have been the result of fraud, the gross negligence or willful misconduct of such Member.

5.2.8 Officers. The Members may designate one or more individuals as officers of the Company, who shall have such titles and exercise and perform such powers and duties as shall be assigned to them from time to time by the Members. Any officer may be removed by the Members at any time, with or without cause. Each officer shall hold office until his or her successor is elected and qualified. Any number of offices may be held by the same individual. The salaries and other compensation of the officers shall be fixed by the Members.

5.3 Management Fees and other Expenses. Except as provided in the Management Agreement dated as of the date hereof between the Company and Mediacom Management Corporation, neither the Company nor any of its subsidiaries shall pay, or reimburse any Person for paying, any fees or expenses (including out-of-pocket expenses or allocated overhead), in respect of the executive management of the business or operations of the Company or any of its subsidiaries.

ARTICLE VI

CAPITAL CONTRIBUTIONS

6.1 Capital Contributions. Each Member shall contribute the amount set forth in Schedule A to this Agreement as the Capital Contribution to be made by such member.

6.2 Additional Contributions. Except as set forth in Section 6.1 of this Agreement, no Member shall be required to make any Capital Contribution.

6.3 Capital Accounts. A Capital Account shall be maintained for each Member in accordance with Section 8.2 of this Agreement.

6.4 Transfers. Upon a permitted sale or other transfer of Percentage Interests in the Company, the Capital Account relating to such transferred Percentage Interest shall become the Capital Account of the Person to which or whom such Percentage Interest is sold or transferred in accordance with Section 8.2(c) of this Agreement.

6.5 Modifications. The manner in which Capital Accounts are to be maintained pursuant to this Agreement is intended to comply with the requirements of Section 704(b) of the Code. If in the opinion of the Tax Matters Partner, on the advice of the Company's accountants, the manner in which Capital Accounts are to be maintained pursuant to this Agreement should be modified to comply with Section 704(b) of the Code, then the method in which Capital Accounts are maintained shall be so modified; provided, however, that any change in the manner of maintaining Capital Accounts shall not materially alter the economic agreement between or among the Members as expressed in this Agreement without the consent of each Member.

6.6 Deficit Capital Account. Except as otherwise required in the Delaware Act or this Agreement, no Member shall have any liability to restore all or any portion of a deficit balance in a Capital Account.

6.7 Withdrawal or Reduction of Capital Contributions. A Member shall not receive from the Company any portion of a Capital Contribution until all indebtedness, liabilities of the Company, except any indebtedness, liabilities and obligations to Members on account of their Capital Contributions, have been paid or there remains property of the Company sufficient to pay them. A Member, irrespective of the nature of the Capital Contribution of such Member, has only the right to demand and receive cash in return for such Capital Contribution.

6.8 No Rights of Redemption or Return of Contribution. Except in accordance with the provisions of this Agreement, no Member has a right to have its Membership Interests or its Capital Contributions returned prior to the dissolution of the Company.

ARTICLE VII

Allocations and Distributions

7.1 Allocation of Profits and Losses.

(a) Profits for each Accounting Period shall be allocated among the Members as follows:

(1) First, to the Members with deficit Capital Account balances at the end of such Accounting Period (but prior to any allocation of Profits pursuant to this Section 7.1(a)), in proportion to such deficits, until such deficits are reduced to zero;

(2) Second, to the Members if Members' Capital Accounts do not correspond to their Percentage Interests at the end of such Accounting Period (after the allocation of Profits provided for in Section 7.1(a)(1), but prior to any other allocations of Profits pursuant to this Section 7.1(a)) so as to make Members' Capital Accounts correspond to their Percentage Interests; and

(3) The balance, to the Members in proportion to their Percentage Interests.

(b) Losses shall be allocated ninety-nine percent

(99%) to Mediacom and one percent (1%) to Mediacom Management.

7.2 Distributions. All Distributions other than Distributions pursuant to Section 7.4 hereof shall be made to the Members in proportion to the amounts by which their Capital Contributions exceed all Distributions previously made to such Members until each has received amounts in the aggregate equal to its Capital Contribution, and then in proportion to their Percentage Interests.

7.3 No Right to Distributions Except Upon Dissolution of the Company.

The occurrence of a Dissolution Event with respect to the Company shall entitle each Member to receive the Distributions set forth in Section 7.4.

7.4 Distributions Upon Dissolution of the Company. Upon dissolution of the Company:

(a) The Company shall first satisfy (or provide for the satisfaction of) all the Company's debts and other obligations (including any debts to Members and former Members, including any amounts owing in respect of Affiliate Subordinated Indebtedness, as that term is defined in the Credit Agreement, and any amounts due and owing Mediacom Management and deferred pursuant to the terms of the Credit Agreement but excluding other obligations to Members and former Members).

(b) The Company shall distribute its remaining assets to the Members and any former Members whose interests have not been previously redeemed as follows:

(1) First, to the Members in proportion to the amounts by which their Capital Contributions exceed previous Distributions until each has received amounts in the aggregate equal to its Capital Contribution; and

(2) The balance to the Members in proportion to their Percentage Interests.

(c) Notwithstanding the foregoing provisions of Section 7.4(b), upon the dissolution of the Company, all Distributions shall be made to the Members in proportion to the positive balances of such Members' Capital Accounts (after such Capital Accounts have been adjusted to take into account all events related to such dissolution) and (after all Members have a zero balance in their Capital Accounts) all Distributions shall be made as provided in Section 7.4(b).

7.5 Offset. The Company may offset all amounts owing to the Company by a Member against any Distribution to be made to such Member.

7.6 Limitation Upon Distributions. No Distribution shall be declared and paid unless, after such Distribution is made, the assets of the Company are in excess of all liabilities of the Company.

7.7 Interest on and Return of Capital Contributions. No Member shall be entitled to interest on its Capital Contribution or to a return of its Capital Contribution, except as specifically set forth in this Agreement.

ARTICLE VIII

Tax Matters

8.1 Tax Characterization and Returns.

(a) The Members acknowledge that the Company will be treated as a "partnership" for Federal and state tax purposes. All provisions of this Agreement and the Certificate of Formation are to be construed so as to preserve that tax status.

(b) Within ninety (90) days after the end of each Fiscal Year, the Tax Matters Partner will cause to be delivered to each Person who was a Member at any time during such Fiscal Year a Form K-1 and such other information, if any, with respect to the Company as may be necessary for the preparation of each Member's Federal or state income tax (or information) returns, including a statement showing each Member's share of income, gain or loss, and credits for the Fiscal Year.

8.2 Capital Accounts.

(a) The Capital Account of each Member shall be increased by

(1) the amount of all Capital Contributions made by such Member (which amount, in the case of contributed property other than cash, shall be the Net Agreed Value thereof) and

(2) all Profit and each item of income and gain which is allocated to the Member pursuant to Section 7.1, 8.3(b), and 8.3(c) hereof (computed in each instance with the adjustments detailed in Section 8.2(b) below)

and decreased by

(x) all Loss and each item of loss and deduction which is allocated to the Member pursuant to Section 7.1, 8.3(b), and 8.3(c)(computed in each instance with the adjustments detailed in Section 8.2(b) below) and

(y) all cash and the Net Agreed Value of any property distributed by the Company to such Member pursuant to this Agreement.

(b) Solely for the purposes of maintaining the Members' Capital Accounts, the Profit or Loss of the Company and each item of income, gain, loss, or deduction which is specially allocated pursuant to Section 8.3(b) and 8.3(c) shall be adjusted as follows:

(1) Any income of the Company that is exempt

from Federal income tax shall be added to such Profit or Loss;

(2) all deductions for depreciation, cost recovery, amortization, or similar items attributable to any property (other than cash) contributed by a Member to the Company (including adjustments under Section 48(q) of the Code) shall be determined as if the Adjusted Basis of such property on the date of contribution was equal to the Carrying Value of such property on such date, in accordance with Treasury Regulation Section 1.704-l(b)(2)(iv)(g);

(3) Any income, gain or loss attributable to the taxable disposition of any asset shall be determined by the Company as if the Adjusted Basis of such asset as of the date of disposition were equal to the Carrying Value of such asset as of such date;

(4) All fees and other expenses incurred by the Company to promote the sale of (or to sell) an interest that can neither be deducted nor amortized under Section 709 of the Code shall be treated as an item of deduction.

(5) The computation of all items of income, gain, loss, and deduction shall be made without regard to any adjustment in the basis of Company asset as a result of an election under Section 754 of the Code which may be made by the Company (except to the extent required by Treasury Regulation Section 1.704-1(b)(2)(iv)(m)) and, as to those items described in Section 705(a)(2)(B) of the Code, without regard to the fact that such items are neither currently deductible nor capitalizable for Federal income tax purposes; and

(6) In the event that any Distribution is made to a Member other than in cash (including liquidating Distributions), the Capital Accounts of the Members, immediately prior to such distribution, shall be appropriately adjusted upward or downward to reflect any Unrealized Gain or Unrealized Loss attributable to the distributed property (determined on the basis of the fair market value of the property at the time of distribution).

(c) A transferee will succeed to the Capital Account (or such portion thereof) relating to the interest transferred, and there shall be no adjustment to the Capital Accounts as a result of such transfer except as otherwise required under Treasury Regulation Section 1.704-1. If, however, the transfer causes a termination of the Company under Section 708(b)(1)(B) of the Code, the assets shall be deemed to have been distributed in liquidation of the Company to the remaining Members (including such transferee) and recontributed by such Members and such transferee in reconstitution of the Company, and the Capital Accounts of the Members in such reconstituted Company shall at such time be determined, and shall thereafter be maintained, in accordance with the rules set forth in this Agreement.

Section 8.3 Special Tax Rules

(a) Special Rules Relating to Contributed Property. Solely for tax purposes (and not for Capital Account purposes), in the case of any property (other than cash) included in a Capital Contribution, items of income, gain, loss, deduction, and credit attributable to such contributed property shall be allocated as follows:

(1) first, among the Members in a manner that takes into account the variation between the fair market value of such property and its Adjusted Basis at the time of contribution (in accordance with Section 704(c) of the Code and applicable Regulations), and

(2) thereafter, in accordance with Section 7.1 and the other provisions of this Article.

(b) Guaranteed Payments. Notwithstanding the foregoing, in the event that any fees, interest, or other amounts paid or payable to any Member are deducted by the Company in reliance on Sections 707(a) or 707(c) of the Code, and such fees, interest, or other amounts are disallowed as deductions to the Company and are recharacterized as Company distributions, there shall be allocated to such Member, prior to the allocations provided in section 7.1, an amount of Company gross income for the year in which such fees, interest, or other amounts are treated as Company distributions equal to such fees, interest, or other amounts so treated as distributions.

(c) Special Overrides. (1) Solely for purposes of determining a Member's Capital Account in applying the provisions of this clause (c), the anticipated adjustments, allocations, and distributions described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4)-(6) shall be taken into account, and each Member shall be deemed obligated to restore any deficit in its Capital Account to the extent of the sum of its share of the Minimum Gain, as determined pursuant to Treasury Regulation Section 1.704-2(g)(i), and its share of the Partner Nonrecourse Debt Minimum Gain, as determined pursuant to Treasury Regulation Section 1.704-2(i)(5).

(2) Notwithstanding any other provision of this Agreement, no allocation of Loss, or other allocation of loss or deduction, shall be made to any Member if such allocation would result in such Member having a negative balance in its Capital Account at the close of any Fiscal Year in excess of the amount it would be required to restore on a liquidation of the Company at the close of such Fiscal Year (or a liquidation of such Member's interest in the Company).

(3) Notwithstanding any other provision of this Agreement, in the event any Member unexpectedly receives an adjustment, allocation, or distribution described in clause (4), (5), or (6) of Treasury Regulation Section 1.704-1(b)(2)(ii)(d) that results in such Member having a negative balance in its Capital Account at the close of any Fiscal Year in excess of the amount that it is required to restore on a liquidation of the Company at the close of such Fiscal Year (or of the Member's interest in the Company), or for any other reason has a deficit Capital Account balance in excess of such amount, such Member shall, prior to the allocations otherwise provided in this Section, be allocated Profit (and other income and gain) in an amount and manner sufficient to eliminate such excess as promptly as possible.

(4) In accordance with and pursuant to Treasury Regulation 1.704-2(i)(1), all partner nonrecourse

deductions (as defined in that Regulation) shall be allocated to the Member that bears the economic risk of loss on the debt giving rise to such deductions as determined under that Regulation. Further, in accordance with and pursuant to Treasury Regulation 1.704-2(f) and -2(i)(4) (and subject to the exceptions set forth therein), if there is a net decrease in either the Company's Minimum Gain or Partner Nonrecourse Debt Minimum Gain or both during any Fiscal Year, all Members shall be allocated, before any other allocation is made of Profit (and other income and gain) or Loss (or other loss or deduction) for such Fiscal Year, items of income and gain for such Fiscal Year (and, if necessary, subsequent years) in an amount equal to the Member's share in the decrease in Minimum Gain or Partner Nonrecourse Debt Minimum Gain, as determined pursuant to Treasury Regulation Sections 1.704-2(g)(2) and 1.704-2(i)(4).

(5) It is the intent of the parties to this Agreement that the chargeback provisions and the limitation on loss allocations provided in this Section satisfy the "allocation of nonrecourse liability" rules provided in Treasury Regulation 1.704-2 and the requirements of Treasury Regulation 1.704-1(b) (2)(ii) (d) (relating to the alternate test for economic effect and "qualified income offset). It is further intended that the allocations under this Section shall effect an allocation for Federal income tax purposes in a manner consistent with Section 704(b) and (c) of the Code and comply with any limitations or restrictions therein. If for any reason the allocations contained in this Agreement shall conflict with the Regulations promulgated under Section 704 of the Code, the Members acknowledge that such Regulations shall control.

(6) The allocations set forth in this Section (the "Regulatory Allocations") are intended to comply with certain requirements of Treasury Regulations Section 1.704-1(b). The Regulatory Allocations may not be consistent with the manner in which the Members intend to divide Company Distributions. Accordingly, the Tax Matters Partner (or any successor thereto) is hereby authorized, with the advice of the company's accountants, to devise other allocations of income, gains and losses and other items among the Members as may be necessary so as to prevent the Regulatory Allocations from distorting the manner in which Company Distributions will be divided among the Members; _provided, however_, that any change in the manner of maintaining Capital Accounts shall not materially alter the economic agreement between or among the Members as expressed in this Agreement without the consent of each Member. In general, the Members anticipate that this will be accomplished by specially allocating items of income, gain, loss and deduction among the Members so that the net amount of the Regulatory Allocations and such special allocations to such Member is zero. However, the Tax Matters Partner shall have discretion to accomplish this result in any reasonable manner.

8.4 _Accounting Decisions_

(a) Subject to the provisions of this Agreement, the Tax Matters Partner will make all decisions as to accounting matters.

(b) Subject to the provisions of this Agreement, the Tax Matters Partner may cause the Company to make whatever elections the Company may make under the Code, including the election referred to in Section 754 of the Code to adjust the basis of Company assets.

(c) The Company shall make the following elections on the appropriate tax returns:

(1) To adopt the calendar year as the Fiscal Year;

(2) To adopt the accrual method of accounting for income tax purposes and keep the Company's books and records in accordance with GAAP;

(3) If a Distribution as described in Section 734 of the Code occurs or if a transfer of a Membership Interest described in Section 743 of the Code occurs, upon the written request of any Member, to elect to adjust the basis of the property of the Company pursuant to Section 754 of the Code;

(4) To elect to amortize the organizational expenses of the Company and the start up expenditures of the Company under Section 195 of the Code ratably over a period of sixty months as permitted by Section 709(b) of the Code; and

(5) Any other election that the Tax Matters Partner may deem appropriate and in the best interests of the Members. Neither the Company nor any Member may make an election for the Company to be excluded from the application of Subchapter K of Chapter I of Subtitle A of the Code or any similar provisions of applicable state law, and no provisions of this Agreement shall be interpreted to authorize any such election.

8.5 Tax Matters Partner. Mediacom Management Corporation shall be the "tax matters partner" of the Company pursuant to Section 6231(a)(7) of the Code. Any Member who is designated as successor Tax Matters Partner shall take any action as may be necessary to cause each other Member to become a "notice partner" within the meaning of Section 6223 of the Code. The Tax Matters Partner shall not extend the statute of limitations, compromise any tax controversy or take any other material action except after consultation with the Members.

8.6 Tax Returns. The Tax Matters Partner shall cause to be prepared and filed all necessary Federal and state income tax returns for the Company. Each Member shall furnish to the Tax Matters Partner all pertinent information in its possession relating to Company operations that is necessary to enable the Company's income tax returns to be prepared and filed.

8.7 Tax Withholdings. The Company shall at all time be entitled to make payments with respect to any Member in amounts required to discharge any legal obligation of the Company pursuant to any provision of the Code or any other tax provision or any provision enacted in the future imposing a similar obligation on the Company to withhold or make payments to any governmental authority with respect to any United States federal, state or local tax liability of such Member arising as a result of such Member's interest in the Company. Each such payment made to any governmental authority shall be deemed to be a loan by the Company to such Member and shall not be deemed to be a distribution. The amount of such payments made with respect to any Member, plus interest at an annual rate equal to two percent plus the Company's highest borrowing rate on each such amount from the date of each such payment until such amount is repaid to the Company, shall be repaid to the Company by (i) deduction from the current or next succeeding distribution or distributions otherwise payable to such Member pursuant to this Agreement or (ii) earlier payment of such amounts and interest by such Member to the Company.

ARTICLE IX

Transfers

No Member may transfer, sell, gift, or otherwise dispose of all, or any portion of, or any interest or rights in, the Percentage Interest owned by the Member without the consent of all of the Members. Each Member hereby acknowledges the reasonableness of this prohibition in view of the purposes of the Company and the relationship among the members of the Members. The transfer of any Percentage Interest in violation of the prohibition contained in this Article IX shall be deemed invalid, null and void, and of no force and effect. Any Person to whom Percentage Interests are attempted to be transferred in violation of this Article IX shall not be entitled to vote on matters coming before the Members, participate in the management of the Company, act as an agent of the Company, receive Distributions or have any other rights in or with respect to the Percentage Interests. Notwithstanding the foregoing, each of the Members hereby consents to the pledge of the Percentage Interests pursuant to the Guarantee and Pledge Agreement dated as of March 12, 1996, between each of the Members and The Chase Manhattan Bank (National Association) , as Administrative Agent (and to any successor pledge securing any increase, extension, renewal or refinancing of the indebtedness secured by such Guarantee and Pledge) , and consents to any transfer of Percentage Interests upon any foreclosure or other exercise of remedies in respect of such pledge.

ARTICLE X

Dissolution; winding Up

10.1 Dissolution. The Company shall be dissolved upon the happening of any of the following events (each, a "Dissolution Event"):

(a) when the period fixed for its duration in Section 3.5 has expired;

(b) upon the vote of all the Members;

(c) the occurrence of an event which would result in there being only one Member remaining in the Company;

(d) the occurrence of an event described in Section 18-304 of the Delaware Act regarding bankruptcy or insolvency of any Member; or

(e) the entry of a decree of judicial dissolution under the Delaware Act.

10.2 Voluntary Withdrawal. Except as expressly permitted in this Agreement, a Member shall not voluntarily withdraw or take any other voluntary action which, directly or indirectly, causes a Dissolution Event.

10.3 Effect of Dissolution. Except as permitted by the Delaware Act, upon dissolution the Company shall cease to carry on its business and shall file a Certificate of Cancellation as provided in Section 18-203 of the Delaware Act.

10.4 Winding Up, Liquidation and Distribution of Assets.

10.4.1 Upon dissolution, an accounting shall be made by the Company's independent accountants of the accounts of the Company and of the Company's assets, liabilities and operations, from the date of the previous accounting until the date of the Dissolution Event. The Member appointed by the other Member as the liquidator (the "Liquidator") shall immediately proceed to wind up the affairs of the Company.

10.4.2 If the Company is dissolved and its affairs are to be wound up, the Liquidator shall:

(i) Sell or otherwise liquidate all of the Company's assets as promptly as practicable,

(ii) Discharge all liabilities of the Company, including liabilities to Members who are creditors (including with respect to Affiliate Subordinated Indebtedness and any amounts owed to Mediacom Management and deferred pursuant to the Credit Agreement), to the extent otherwise permitted by law, other than any liabilities to Members for distributions declared but not yet paid by the Company, and establish such reserves as may be reasonably necessary to provide for contingent liabilities of the Company,

(iii) Allocate any profit or loss resulting from the sales of Company assets to the Members in accordance with this Agreement, and

(iv) Distribute the remaining assets in the following order:

(1) If any assets of the Company are to be distributed in-kind, the net fair market value of such assets as of the date of the Dissolution Event shall be determined by an independent appraisal or the Tax Matters Partner. Such assets shall be deemed to have been sold as of the date of dissolution for their fair market value, and the Capital Accounts of the Members shall be adjusted pursuant to the provisions of this Agreement to reflect

such deemed sale.

(2) In accordance with Section 7.4 hereof, either in cash or in-kind, as determined by the Liquidator, with any assets distributed in-kind being valued for this purpose at their fair market value in accordance with the requirements set forth in Treasury Regulation Section 1.704-1(b)(2)(ii)(b)(2).

10.4.3 Notwithstanding anything to the contrary in this Agreement, upon a liquidation within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(9), if any Member has a deficit Capital Account (after giving effect to all contributions, Distributions, allocations and other Capital Account adjustments for all Fiscal Years, including the year in which the liquidation occurs), such Member shall have no obligation to make any contribution to capital, and the negative balance of such Member's

Capital Account shall not be considered a debt owed by such Member to the Company or to any other Person for any purpose whatsoever.

10.4.5 Upon completion of the winding up, liquidation and distribution of assets, the Company shall be deemed terminated.

10.5 Return of Contributions to Capital Nonrecourse to Other Members. Except as provided by law or as expressly provided in this Agreement, upon dissolution each Member shall look solely to the assets of the Company for the return of its Capital Contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the Capital Contributions of one or more Members, such Member or Members shall have no recourse against any other Member.

ARTICLE XI

INDEMNIFICATION

11.1 Exculpatory Provisions. None of the Members nor any of their respective shareholders, members, partners, officers, directors, employees or control persons (as such term is defined in the Securities Act of 1933, as amended, and the rules and regulations thereunder) of such Members (collectively, the "Indemnified Persons") shall be liable directly or indirectly, to the Company or to any other Member for any act or omission (in relation to the Company or this Agreement) taken or omitted by such Indemnified Person in good faith, provided that such act or omission did not constitute gross negligence, fraud or willful violation of the law or this Agreement.

11.2 Indemnification of Members. The Company shall, to the fullest extent permitted by the Delaware Act, indemnify and hold harmless each Indemnified Person against all claims, liabilities and expenses of whatever nature ("Claims") relating to activities undertaken in connection with the Company, including but not limited to amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel, accountants' and experts' and other fees, costs and expenses reasonably incurred in connection with the investigation, defense or disposition (including by settlement) of any action, suit or other proceeding, whether civil or criminal, before any court or administrative body in which such Indemnified Person may be or may have been involved, as a party or otherwise, or with which such Indemnified Person may be or may have been threatened, while acting as such Indemnified Person, provided that no indemnity shall be payable hereunder against any liability incurred by such Indemnified Person by reason of such Indemnified Person's gross negligence, fraud or willful violation of the law or this Agreement or with respect to any matter as to which such Indemnified Person shall have been adjudicated not to have acted in good faith.

11.3 Advance of Expenses. Expenses incurred by an Indemnified Person in defense or settlement of any Claim that may be subject to a right of indemnification hereunder may be advanced by the Company prior to the final disposition thereof upon receipt of an undertaking by or on behalf of the Indemnified Person to repay such amount if it shall ultimately be determined that the Indemnified Person is not entitled to be indemnified by the Company.

11.4 Control of Claim. The Company shall have the right to select counsel (provided such counsel is reasonably satisfactory to the Indemnified Person) and to control the defense of any action giving rise to a Claim, provided that an Indemnified Person may nevertheless employ counsel to represent and defend it, but the Company will not be required to pay the fees and disbursements of more than one counsel in any jurisdiction in any proceeding (unless by reason of potential conflicts of interest, representation by more than one counsel is necessary) . The right to control the defense of any action shall not include the right to enter into a settlement with respect to such action, unless such settlement is for money damages only (and the Company first posts a bond or other security satisfactory to the Indemnified Person sufficient, without regard to the provisions of Section 11.6, to cover the full amount of the proposed settlement).

11.5 Non-Exclusivity. The right of any Indemnified Person to the indemnification provided herein shall be cumulative of, and in addition to, any and all rights to which such Indemnified Person may otherwise be entitled by contract or as a matter of law or equity and shall extend to such Indemnified Person's successors, assigns and legal representatives.

11.6 Satisfaction from Company Assets. All judgments against the Company or an Indemnified Person, in respect of which such Indemnified Person is entitled to indemnification, shall first be satisfied from Company assets before the Indemnified Person is responsible therefor.

11.7 Notices of Claims. Promptly after receipt by an Indemnified Person of notice of the commencement of any action or proceeding or threatened action or proceeding involving a Claim, such Indemnified Person will, if a claim for indemnification in respect thereof is to be made against the Company, give written notice to the Company and each other Member of the commencement of such action, provided that the failure of any Indemnified Person to give notice as provided herein shall not relieve the Company of its obligations under this Article XI, except to the extent that the Company is actually prejudiced by such failure to give notice. Each such Indemnified Person shall keep the Company and each other Member apprised of the progress of any such proceeding.

ARTICLE XII
General Provisions

12.1 Notices. Any notice, demand or other communication required or permitted to be given pursuant to this Agreement shall have been sufficiently given for all purposes if (a) delivered personally to the party or to an executive officer of the party to whom such notice, demand or other communication is directed or (b) sent by registered or certified mail, postage prepaid, addressed to the Member or the Company at its address set forth in this Agreement. Except as otherwise provided in this Agreement, any such notice shall be deemed to be given three business days after the date on which it was deposited in a regularly maintained receptacle for the deposit of United States mail, addressed and sent as set forth in this Section.

12.2 Amendments. This Agreement contains the entire agreement between the Members with respect to the subject matter of this Agreement, and supersedes each course of conduct previously pursued or acquiesced in, and each oral agreement and representation previously made, by the Members with respect thereto, whether or not relied or acted upon. No course of performance or other conduct subsequently pursued or acquiesced in, and no oral agreement or representation subsequently made, by the Members, whether or not relied or acted upon, and no usage of trade, whether or not relied or acted upon, shall amend this Agreement or impair or otherwise affect any Member's obligations pursuant to this Agreement or any rights and remedies of a Member pursuant to this Agreement. No amendment to this Agreement shall be effective unless made in a writing duly executed by all Members and specifically referring to each provision of this Agreement being amended.

12.3 Headings. The headings in this Agreement are for convenience only and shall not be used to interpret or construe any provision of this Agreement.

12.4 Waiver. No failure of a Member to exercise, and no delay by a Member in exercising, any right or remedy under this Agreement shall constitute a waiver of such right or remedy. No waiver by a Member of any such right or remedy under this Agreement shall be effective unless made in a writing duly executed by all Members and specifically referring to each such right or remedy being waived.

12.5 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law. However, if any provision of this Agreement shall be prohibited by or invalid under such law, it shall be deemed modified to conform to the minimum requirements of such law or, if for any reason it is not deemed so

modified, it shall be prohibited or invalid only to the extent of such prohibition or invalidity without the remainder thereof or any other such provision being prohibited or invalid.

12.6 Binding. This Agreement shall be binding upon and inure to the benefit of all Members, and to the extent permitted by this Agreement, their respective legal successors and assignees.

12.7 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

12.8 Governing Law. This Agreement shall be governed by, and interpreted and construed in accordance with, the laws of the State of Delaware without regard to principles of conflict of laws.

12.9 Further Assurances. The Members each agree to cooperate, and to execute and deliver in a timely fashion any and all additional documents and do such further acts as may be necessary to effectuate the purposes of the Company and this Agreement.

IN WITNESS WHEREOF, the parties have executed this Operating Agreement as of the date first written above.

MEDIACOM LLC

By: /s/ Rocco B. Commisso

Name: Rocco B. Commisso
Title: Manager

MEDIACOM MANAGEMENT CORPORATION

By: /s/ Rocco B. Commisso

Name: Rocco B. Commisso
Title: President

EXHIBIT 3.9

CERTIFICATE OF FORMATION

OF

MEDIACOM DELAWARE LLC

The undersigned, an authorized natural person, for the purpose of forming a limited liability company, under the provisions and subject to the requirements of the State of Delaware (particularly Chapter 18, Title 6 of the Delaware Code and the acts amendatory thereof and supplemental thereto, and known, identified and referred to as the "Delaware Limited Liability Act"), hereby certifies that:

FIRST: The name of the limited liability company is Mediacom Delaware LLC (hereinafter called the "limited liability company");

SECOND: The address of the registered office and the name and address of the registered agent of the limited liability company, required to be maintained by Section 18-104 of the Delaware Limited Liability Company Act are the Corporation Service Company, 1013 Center Road, Wilmington, Delaware 19805.

Executed on December 27, 1996.

/s/ H. Frances Kleiner

H. Frances Kleiner, Esq.
Sole Organizer
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New York, New York 10022

EXHIBIT 3.10

MEDIACOM DELAWARE LLC

OPERATING AGREEMENT

OPERATING AGREEMENT, dated as of January 1, 1997 (this "Agreement"), of MEDIACOM DELAWARE LLC, a Delaware limited liability company.

R E C I T A L S

WHEREAS, the Member has caused the formation of a limited liability company and desires to establish the respective rights and obligations of the Members pursuant to the Delaware Limited Liability Company Act in connection with the operation of MEDIACOM DELAWARE LLC.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties executing this Agreement below, intending to be legally bound, agree as follows:

ARTICLE I

DEFINITIONS

1.1 Definitions. In this Agreement, the following terms shall have the meanings set forth below when used in this Agreement with initial capital letters:

(a) "Accounting Period" shall mean, as the context may require, the period commencing on the date of this Agreement or on the day following the last day of the immediately preceding Accounting Period, and ending on the next succeeding of the following: (a) the last day of each fiscal year of the Company; (b) the date upon which the Company shall be dissolved; or (c) any day designated by the Tax Matters Partner as the date upon which an Accounting Period shall end.

(b) "Adjusted Basis" shall mean, as of any date of determination, the Company's adjusted basis in any asset as of such date, as determined for Federal income tax purposes pursuant to Section 1011 of the Code.

(c) "Affiliate" shall mean, with respect to any Person, any other Person controlling, controlled by or under common control with such Person, with "control" for such purpose meaning the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities or voting interests, by contract or otherwise.

(d) "Agreement" shall mean this Operating Agreement as amended from time to time.

(e) "Capital Account" shall mean as of any date the Capital Contribution to the Company by a Member, adjusted as of such date pursuant to the terms and provisions of this Agreement.

(f) "Capital Contribution" shall mean any contribution by a Member to the capital of the Company in cash, property or services rendered, as set forth on Schedule A.

(g) "Carrying Value" shall mean (i) with respect to any asset (other than cash) included in a Capital Contribution of a Member, the fair market value of such contributed property on the date of contribution reduced, but not below zero, by all depreciation, amortization, and similar expense charged to the Members' Capital Accounts with respect to such property and (ii) with respect to any other asset, the Adjusted Basis thereof.

(h) "CATV Systems" shall mean any cable distribution system that receives broadcast signals by antennae, microwave transmission, satellite transmission or any other form of transmission that amplifies such signals and distributes them.

(i) "Certificate of Formation" shall mean the Certificate of Formation of the Company filed with the Secretary of State of the State of Delaware on December 27, 1996.

(j) "Claims" shall have the meaning set forth in Section 11.2 of this Agreement.

(k) "Code" shall mean the Internal Revenue Code of 1986, as amended, and any successor to that Code.

(l) "Company" shall refer to MEDIACOM DELAWARE LLC, a Delaware limited liability company.

(m) "Credit Agreement" shall mean that certain Amended and Restated Credit Agreement, dated as of December 27, 1996, by and among Mediacom California, Mediacom Arizona, the lenders party thereto, and The Chase Manhattan Bank, as administrative agent, as amended, restated, modified or supplemented from time to time, including any increase, deferral, renewal, extension or refinancing thereof or any senior credit facility entered into hereafter by Mediacom or any subsidiary Affiliate.

(n) "Default Rule" shall mean a rule stated in the Delaware Act:

(i) which structures, defines, or regulates the finances, governance, operations, or other aspects of a limited liability company organized under the Delaware Act, and

(ii) which applies except to the extent it is negated or modified through the provisions of a limited liability company's certificate of formation or operating agreement.

(o) "Delaware Act" shall mean the Delaware Limited Liability Company Act.

(p) "Dissolution Event" shall have the meaning set forth in Section 10.1 of this Agreement.

(q) "Distribution" shall mean any cash and other property paid to a Member by the Company.

(r) "Fiscal Year" shall mean the fiscal year of the Company, which shall be the year ending December 31.

(s) "GAAP" shall mean generally accepted accounting principles applied on a consistent basis.

(t) "Indemnified Persons" shall have the meaning set forth in Section 11.1 of this Agreement.

(u) "Liquidator" shall have the meaning set forth in Section 10.4.1 of this Agreement.

(v) "Loss" shall mean the taxable loss of the Company for any Fiscal Year or portion thereof, as computed for Federal income tax purposes in accordance with Section 703(a) of the Code. For this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code shall be aggregated, but there shall be excluded from such computation any item of income, gain, loss, or deduction which is specifically allocated.

(w) "Mediacom" shall mean Mediacom LLC, a New York limited liability company and the sole Member of the Company.

(x) "Mediacom Arizona" shall mean Mediacom Arizona LLC, a Delaware limited liability company and an Affiliate of the Company.

(y) "Mediacom California" shall mean Mediacom California LLC, a Delaware limited liability company and an Affiliate of the Company.

(z) "Mediacom Management" shall mean Mediacom Management Corporation, a Delaware corporation and a member of Mediacom California.

(aa) "Member" shall mean each Person who executes a counterpart of this Agreement.

(bb) "Minimum Gain" shall mean "partnership minimum gain" as defined in Treasury Regulation Section 1.704-2(d).

(cc) "Net Agreed Value" shall mean

(i) in the case of any Capital Contribution other than cash, the fair market value of such property at the time of contribution reduced by any indebtedness secured by such property and assumed or taken subject to by the Company upon such contribution under Section 752 of the Code, and

(ii) in the case of any property (other than cash) distributed to a Member, the fair market value of such property at the time of such distribution reduced by any indebtedness secured by such property and assumed or taken subject to by such Member upon such distribution under Section 752 of the Code.

(dd) "Partner Nonrecourse Debt" shall have the meaning set forth in Treasury Regulation 1.704-2(b)(4).

(ee) "Partner Nonrecourse Debt Minimum Gain" shall have the meaning set forth in Treasury Regulation 1.704-2(i)(3).

(ff) "Percentage Interest" shall mean with respect to any Member, the ratio of the value of the Capital Contribution of such Member to the aggregate value of all Capital Contributions.

(gg) "Person" shall mean any natural person, corporation, governmental authority, limited liability company, partnership, trust, unincorporated association or other commercial or legal entity.

(hh) "Profit" shall mean the taxable income of the Company for any Fiscal Year or portion thereof as computed for Federal income tax purposes in accordance with Section 703(a) of the Code. For this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code shall be aggregated, but there shall be excluded from such computation any item of income, gain, loss, or deduction which is specifically allocated.

(ii) "Records" shall mean:

(1) true and full information regarding the status of the business and financial condition of the Company;

(2) copies of the Company's Federal, state, and local income tax returns;

(3) a current list of the name and last known business, residence, or mailing address of each Member;

(4) a copy of this Agreement, the Certificate of Formation, and all amendments thereto, together with executed copies of any written powers of attorney pursuant to which this Agreement and the Certificate of Formation and all amendments thereto have been executed;

(5) true and full information regarding the amount of cash and a description and statement of the value of any other property or services contributed by each Member and which each Member has agreed to contribute in the future, and the date on which each became a Member;

(6) a copy of each material contract entered into by the Company;

(7) minutes of the meetings of the Members; and

(8) other information regarding the affairs of the Company as required by an act of the Members or as is prudent and desirable in the opinion of the Members.

(jj) "Tax Matters Partner" shall be the Member designated in Section 8.5 hereof.

(kk) "Treasury Regulations" shall mean all proposed, temporary and final regulations promulgated under the Code as from time to time in effect.

(ll) "Unrealized Gain" shall mean, with respect to any asset and as of any date of determination, the excess, if any, of the then current fair market value of such asset over the Carrying Value thereof as of such date.

(mm) "Unrealized Loss" shall mean, with respect to any asset and as of any date of determination, the excess, if any, of the then current Carrying Value of such asset over the fair market value thereof as of such date.

ARTICLE II

RELATIONSHIP OF THIS AGREEMENT TO THE CERTIFICATE OF FORMATION AND TO THE DEFAULT RULES PROVIDED BY THE DELAWARE ACT

2.1 Relationship of this Agreement to the Default Rules Provided by the Delaware Act.

Regardless of whether this Agreement specifically refers to particular Default Rules:

(a) if any provision of this Agreement conflicts with a Default Rule, the provision of this Agreement controls and the Default Rule is modified or negated accordingly, and

(b) if it is necessary to construe a Default Rule as modified or negated in order to effectuate any provision of this Agreement, the Default Rule is modified or negated accordingly.

2.2 Relationship Between this Agreement and the Certificate of Formation.

If a provision of this Agreement differs from a provision of the Certificate of Formation, then to the extent allowed by law this Agreement shall govern.

ARTICLE III

ORGANIZATION

3.1 Formation. One or more Persons has acted as an organizer to form a limited liability company by preparing, executing and filing the Certificate of Formation attached hereto as Exhibit A pursuant to the Delaware Act.

3.2 Name. The name of the Company is MEDIACOM DELAWARE LLC.

3.3 Office of the Company. The principal office of the Company shall be Route 133, Country Village Square, Dagsboro, Delaware. The Company may establish any other places of business as the Members may from time to time deem advisable.

3.4 Registered Agent and Registered Office. The registered agent and registered office of the Company shall be as designated in the Certificate of Formation which is Corporation Service Company, 1013 Center Road, Wilmington, Delaware 19805. The registered office and registered agent may be changed from time to time by filing the address of the new registered office and/or the name of the new registered agent with the Secretary of State of the State of Delaware pursuant to the Delaware Act.

3.5 Term. The term of the Company shall be until December 31, 2026, unless the existence of the Company is terminated sooner pursuant to this Agreement or the Delaware Act.

3.6 Purpose. The Company is formed for any lawful business purpose or purposes. The business of the Company is to conduct any lawful business including, directly or through Persons in which the Company invests, to acquire franchises to operate, and to own, invest in, design, construct, maintain, manage and operate, one or more CATV Systems or wireless cable systems, or entities providing telecommunications services, and to do all things reasonably incidental thereto, including borrowing money and securing such borrowings by mortgage, pledge, or other lien, and leasing or disposing of CATV Systems. The initial business of the Company shall be to acquire and operate CATV Systems serving areas in and around, in Delaware, the residential and recreational areas known as Angola-by-the-Bay, the private residential communities known as (if applicable) Sea Colony and Ocean Pines, the Towns of Bethany Beach, Dagsboro, Frankford, Millsboro, Millville, Oceanview, Selbyville, and South Bethany, Long Neck and unincorporated Sussex County, and, in Maryland, the Towns of Willards and Pittsville, unincorporated Wicomico County and Worcester County, pursuant to that certain Asset Purchase Agreement, dated as of December 24, 1996, between American Cable TV Investors 5, Ltd. and Mediacom, which Asset Purchase Agreement has been assigned to the Company.

ARTICLE IV

MEMBERS

4.1 Names and Addresses. The name and address of each Member is as set forth in Schedule A to this Agreement.

4.2 Additional Members. A Person may be admitted as a member after the date of this Agreement upon the unanimous consent of the Members and upon compliance with the terms of this Agreement and any other conditions imposed by the Members from time to time for the admission of additional or substitute Members.

4.3 Books and Records. The Company shall keep the Records at its principal place of business or at the office of Mediacom.

4.4 Information. Each Member and its agents may inspect the Records during ordinary business hours and upon reasonable notice at the principal office the Company, or other location of the Records.

4.5 Limitation of Liability. Each Member's liability shall be limited as set forth in this Agreement, the Delaware Act and other applicable law. No Member shall be personally liable for any indebtedness, liability or obligation of the Company without entering into a written agreement assuming such personal liability, except that such Member shall remain personally liable for the payment of its Capital Contribution and as otherwise set forth in this Agreement, the Delaware Act and any other applicable law.

4.6 Priority and Return of Capital. No Member shall have priority over any other Member, whether for the return of a Capital Contribution or for Profits, Losses, or Distributions; provided, however, that this Section 4.6 shall not apply to loans or other indebtedness (as distinguished from a Capital Contribution) made by a Member to the Company.

4.7 Liability of a Member to the Company. A Member who or which rightfully receives the return of any portion of a Capital Contribution is liable to the Company only to the extent now or hereafter provided by the Delaware Act. A Member who or which receives a Distribution made by the Company in violation of this Agreement or made when the Company's liabilities exceed its assets (after giving effect to such Distribution) shall be liable to the Company for the amount of such Distribution.

4.8 Financial Adjustments. No Members admitted after the date of this Agreement shall be entitled to any retroactive allocation of losses, income or expense deductions incurred by the Company. The Tax Matters Partner may, in its discretion, at the time a Member is admitted, close the books and records of the Company (as though the Fiscal Year had ended) or make pro rata allocations of loss, income and expense deductions to such Member for that portion of the Fiscal Year in which such Member was admitted in accordance with the Code.

ARTICLE V

MANAGEMENT

5.1 Management. The Company shall be managed by its Members. Each Member shall have the right to act for and bind the Company in its ordinary course of its business. In order to effectively manage the operations of the Company, Mediacom, as Member, hereby authorizes and ratifies the execution, delivery and performance by the Company of the Management Agreement, dated as of the date hereof, between the Company and Mediacom Management, and the compensation set forth therein.

5.2 Meeting of and Voting by the Members.

5.2.1 Meetings; Notice. Meetings of the Members may be called at any time by any Member and shall be held at the Company's principal office or at any other place, within or outside the State of Delaware, designated in any notice of such meeting. If no such designation is made, the place of any such meeting shall be the principal office of the Company. Written or oral notice stating the place, day and hour of the meeting indicating that it is being issued by or at the direction of the Member calling the meeting, stating the purpose or purposes for which the meeting is called shall be delivered no fewer than ten nor more than sixty days before the date of the meeting. Notice of a meeting need not be given to any Member who submits a signed waiver of notice, in person or by proxy, whether before or after the meeting. The attendance of a Member at a meeting, in person or by proxy, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice by it.

5.2.2 Record Date. For the purpose of determining the Members entitled to notice of or to vote at any meeting of Members or any adjournment of such meeting, or Members entitled to receive payment of any Distribution, or to make a determination of Members for any other purpose, the date on which notice of the meeting is mailed or the date on which the resolution declaring Distribution is adopted, as the case may be, shall be the record date for making such a determination. When a determination of Members entitled to vote at any meeting of Members has been made pursuant to this Section, the determination shall apply to any adjournment of the meeting.

5.2.3 Quorum; Manner of Acting. Members holding not less than all the Percentage Interests, represented in person or by proxy, shall constitute a quorum at any meeting of Members. If a quorum is present at any meeting, the vote or written consent of Members holding all the Percentage Interests shall constitute the act of the Members.

5.2.4 Action by Members Without a Meeting. Whenever the Members of the Company are required or permitted to take any action, such action may be taken without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken shall be signed by each of the Members.

5.2.5 Proxies. A Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Every proxy must be signed by the Member or its attorney-in-fact. No proxy shall be valid after the expiration of three years from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it, except if the proxy states that it is irrevocable and if it is coupled with an interest in law sufficient to support an irrevocable power.

5.2.6 Duties of Members. The Members shall devote such time to the business and affairs of the Company as is necessary to carry out the Members' duties set forth in this Agreement. Each Member shall perform its duties in good faith, in a manner it reasonably believes to be in the best interests of the Company and with such care as an ordinarily prudent person in a similar position would use under similar circumstances. A Member who so performs such duties shall not have any liability by reason of being or having been a Member. Nothing contained in this Agreement shall be deemed to require the Members to manage the Company as its sole and exclusive function and the Members may have other business interests and may engage in other activities in addition to those relating to the Company. Neither the Company nor any Member shall have any right pursuant to this Agreement to share or participate in such other business interests or activities or to the income or proceeds derived therefrom.

5.2.7 Liability and Indemnification. A Member shall not be liable to the Company or the other Member for any loss or damage sustained by the Company or the other Member, unless the loss or damage shall have been the result of fraud, the gross negligence or willful misconduct of such Member.

5.2.8 Officers. The Members may designate one or more individuals as officers of the Company, who shall have such titles and exercise and perform such powers and duties as shall be assigned to them from time to time by the Members. Any officer may be removed by the Members at any time, with or without cause. Each officer shall hold office until his or her successor is elected and qualified. Any number of offices may be held by the same individual. The salaries and other compensation of the officers shall be fixed by the Members.

5.3 Management Fees and other Expenses. Except as provided in the Management Agreement dated as of the date hereof between the Company and Mediacom Management, neither the Company nor any of its subsidiaries shall pay, or reimburse any Person for paying, any fees or expenses (including out-of-pocket expenses or allocated overhead), in respect of the executive management of the business or operations of the Company or any of its subsidiaries.

ARTICLE VI
CAPITAL CONTRIBUTIONS

6.1 Capital Contributions. Each Member shall contribute the amount set forth in Schedule A to this Agreement as the Capital Contribution to be made by such Member.

6.2 Additional Contributions. Except as set forth in Section 6.1 of this Agreement, no Member shall be required to make any Capital Contribution.

6.3 Capital Accounts. A Capital Account shall be maintained for each Member in accordance with Section 8.2 of this Agreement.

6.4 Transfers. Upon a permitted sale or other transfer of Percentage Interests in the Company, the Capital Account relating to such transferred Percentage Interest shall become the Capital Account of the Person to which or whom such Percentage Interest is sold or transferred in accordance with Section 8.2(c) of this Agreement.

6.5 Modifications. The manner in which Capital Accounts are to be maintained pursuant to this Agreement is intended to comply with the requirements of Section 704(b) of the Code. If in the opinion of the Tax Matters Partner, on the advice of the Company's accountants, the manner in which Capital Accounts are to be maintained pursuant to this Agreement should be modified to comply with Section 704(b) of the Code, then the method in which Capital Accounts are maintained shall be so modified; provided, however, that any change in the manner of maintaining Capital Accounts shall not materially alter the economic agreement between or among the Members as expressed in this Agreement without the consent of each Member.

6.6 Deficit Capital Account. Except as otherwise required in the Delaware Act or this Agreement, no Member shall have any liability to restore all or any portion of a deficit balance in a Capital Account.

6.7 Withdrawal or Reduction of Capital Contributions. A Member shall not receive from the Company any portion of a Capital Contribution until all indebtedness, liabilities of the Company, except any indebtedness, liabilities and obligations to Members on account of their Capital Contributions, have been paid or there remains property of the Company sufficient to pay them. A Member, irrespective of the nature of the Capital Contribution of such Member, has only the right to demand and receive cash in return for such Capital Contribution.

6.8 No Rights of Redemption or Return of Contribution. Except in accordance with the provisions of this Agreement, no Member has a right to have its Membership Interests or its Capital Contributions returned prior to the dissolution of the Company.

ARTICLE VII

Allocations and Distributions

7.1 Allocation of Profits and Losses.

(a) Profits for each Accounting Period shall be allocated among the Members as follows:

(1) First, to the Members with deficit Capital Account balances at the end of such Accounting Period (but prior to any allocation of Profits pursuant to this Section 7.1(a)), in proportion to such deficits, until such deficits are reduced to zero;

(2) Second, to the Members if Members' Capital Accounts do not correspond to their Percentage Interests at the end of such Accounting Period (after the allocation of Profits provided for in Section 7.1(a)(1), but prior to any other allocations of Profits pursuant to this Section 7.1(a)) so as to make Members' Capital Accounts correspond to their Percentage Interests; and

(3) The balance, to the Members in proportion to their Percentage Interests.

(b) Losses for each Accounting Period shall be allocated as follows:

(1) First, to the Members if Members' Capital Accounts do not correspond to their Percentage Interests at the end of such Accounting Period, so as to make Members' Capital Accounts correspond to their Percentage Interests; and

(2) The balance, to the Members in proportion to the Percentage Interests.

7.2 Distributions. All Distributions other than Distributions pursuant to Section 7.4 hereof shall be made to the Members in proportion to the amounts by which their Capital Contributions exceed all Distributions previously made to such Members until each has received amounts in the aggregate equal to its Capital Contribution, and then in proportion to their Percentage Interests.

7.3 No Right to Distributions Except Upon Dissolution of the Company.

The occurrence of a Dissolution Event with respect to the Company shall entitle each Member to receive the Distributions set forth in Section 7.4.

7.4 Distributions Upon Dissolution of the Company. Upon dissolution of the Company:

(a) The Company shall first satisfy (or provide for the satisfaction of) all the Company's debts and other obligations (including any debts to Members and former Members, including any amounts owing in respect of Affiliate Subordinated Indebtedness, as that term is defined in the Credit Agreement, and any amounts due and owing Mediacom Management and deferred pursuant to the terms of the Credit Agreement but excluding other obligations to Members and former Members).

(b) The Company shall distribute its remaining assets to the Members and any former Members whose interests have not been previously redeemed as follows:

(1) First, to the Members in proportion to the amounts by which their Capital Contributions exceed previous Distributions until each has received amounts in the aggregate equal to its Capital Contribution; and

(2) The balance to the Members in proportion to their Percentage Interests.

(c) Notwithstanding the foregoing provisions of Section 7.4(b), upon the dissolution of the Company, all Distributions shall be made to the Members in proportion to the positive balances of such Members' Capital Accounts (after such

Capital Accounts have been adjusted to take into account all events related to such dissolution) and (after all Members have a zero balance in their Capital Accounts) all Distributions shall be made as provided in Section 7.4(b).

7.5 Offset. The Company may offset all amounts owing to the Company by a Member against any Distribution to be made to such Member.

7.6 Limitation Upon Distributions. No Distribution shall be declared and paid unless, after such Distribution is made, the assets of the Company are in excess of all liabilities of the Company.

7.7 Interest on and Return of Capital Contributions. No Member shall be entitled to interest on its Capital Contribution or to a return of its Capital Contribution, except as specifically set forth in this Agreement.

ARTICLE VIII

Tax Matters

8.1 Tax Characterization and Returns.

(a) The Members acknowledge that the Company will be treated as a "partnership" for Federal and state tax purposes. All provisions of this Agreement and the Certificate of Formation are to be construed so as to preserve that tax status.

(b) Within ninety (90) days after the end of each Fiscal Year, the Tax Matters Partner will cause to be delivered to each Person who was a Member at any time during such Fiscal Year a Form K-1 and such other information, if any, with respect to the Company as may be necessary for the preparation of each Member's Federal or state income tax (or information) returns, including a statement showing each Member's share of income, gain or loss, and credits for the Fiscal Year.

8.2 Capital Accounts.

(a) The Capital Account of each Member shall be increased by

(1) the amount of all Capital Contributions made by such Member (which amount, in the case of contributed property other than cash, shall be the Net Agreed Value thereof) and

(2) all Profit and each item of income and gain which is allocated to the Member pursuant to Section 7.1, 8.3(b), and 8.3(c) hereof (computed in each instance with the adjustments detailed in Section 8.2(b) below)

and decreased by

(x) all Loss and each item of loss and deduction which is allocated to the Member pursuant to Section 7.1, 8.3(b), and 8.3(c) (computed in each instance with the adjustments detailed in Section 8.2(b) below) and

(y) all cash and the Net Agreed Value of any property distributed by the Company to such Member pursuant to this Agreement.

(b) Solely for the purposes of maintaining the Members' Capital Accounts, the Profit or Loss of the Company and each item of income, gain, loss, or deduction which is specially allocated pursuant to Section 8.3(b) and 8.3(c) shall be adjusted as follows:

(1) Any income of the Company that is exempt from Federal income tax shall be added to such Profit or Loss;

(2) all deductions for depreciation, cost recovery, amortization, or similar items attributable to any property (other than cash) contributed by a Member to the Company (including adjustments under Section 48(q) of the Code) shall be determined as if the Adjusted Basis of such property on the date of contribution was equal to the Carrying Value of such property on such date, in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(g);

(3) Any income, gain or loss attributable to the taxable disposition of any asset shall be determined by the Company as if the Adjusted Basis of such asset as of the date of disposition were equal to the Carrying Value of such asset as of such date;

(4) All fees and other expenses incurred by the Company to promote the sale of (or to sell) an interest that can neither be deducted nor amortized under Section 709 of the Code shall be treated as an item of deduction.

(5) The computation of all items of income, gain, loss, and deduction shall be made without regard to any adjustment in the basis of Company asset as a result of an election under Section 754 of the Code which may be made by the Company (except to the extent required by Treasury Regulation Section 1.704-1(b)(2)(iv)(m)) and, as to those items described in Section 705(a)(2)(B) of the Code, without regard to the fact that such items are neither currently deductible nor capitalizable for Federal income tax purposes; and

(6) In the event that any Distribution is made to a Member other than in cash (including liquidating Distributions), the Capital Accounts of the Members, immediately prior to such distribution, shall be appropriately adjusted upward or downward to reflect any Unrealized Gain or Unrealized Loss

attributable to the distributed property (determined on the basis of the fair market value of the property at the time of distribution).

(c) A transferee will succeed to the Capital Account (or such portion thereof) relating to the interest transferred, and there shall be no adjustment to the Capital Accounts as a result of such transfer except as otherwise required under Treasury Regulation Section 1.704-1. If, however, the transfer causes a termination of the Company under Section 708(b)(1)(B) of the Code, the assets shall be deemed to have been distributed in liquidation of the Company to the remaining Members (including such transferee) and recontributed by such Members and such transferee in reconstitution of the Company, and the Capital Accounts of the Members in such reconstituted Company shall at such time be determined, and shall thereafter be maintained, in accordance with the rules set forth in this Agreement.

Section 8.3 Special Tax Rules

(a) Special Rules Relating to Contributed Property. Solely for tax purposes (and not for Capital Account purposes), in the case of any property (other than cash) included in a Capital Contribution, items of income, gain, loss, deduction, and credit attributable to such contributed property shall be allocated as follows:

(1) first, among the Members in a manner that takes into account the variation between the fair market value of such property and its Adjusted Basis at the time of contribution (in accordance with Section 704(c) of the Code and applicable Regulations), and

(2) thereafter, in accordance with Section 7.1 and the other provisions of this Article.

(b) Guaranteed Payments. Notwithstanding the foregoing, in the event that any fees, interest, or other amounts paid or payable to any Member are deducted by the Company in reliance on Sections 707(a) or 707(c) of the Code, and such fees, interest, or other amounts are disallowed as deductions to the Company and are recharacterized as Company distributions, there shall be allocated to such Member, prior to the allocations provided in Section 7.1, an amount of Company gross income for the year in which such fees, interest, or other amounts are treated as Company distributions equal to such fees, interest, or other amounts so treated as distributions.

(c) Special Overrides. (1) Solely for purposes of determining a Member's Capital Account in applying the provisions of this clause (c), the anticipated adjustments, allocations, and distributions described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4)-(6) shall be taken into account, and each Member shall be deemed obligated to restore any deficit in its Capital

Account to the extent of the sum of its share of the Minimum Gain, as determined pursuant to Treasury Regulation Section 1.704-2(g)(i), and its share of the Partner Nonrecourse Debt Minimum Gain, as determined pursuant to Treasury Regulation Section 1.704-2(i)(5).

(2) Notwithstanding any other provision of this Agreement, no allocation of Loss, or other allocation of loss or deduction, shall be made to any Member if such allocation would result in such Member having a negative balance in its Capital Account at the close of any Fiscal Year in excess of the amount it would be required to restore on a liquidation of the Company at the close of such Fiscal Year (or a liquidation of such Member's interest in the Company).

(3) Notwithstanding any other provision of this Agreement, in the event any Member unexpectedly receives an adjustment, allocation, or distribution described in clause (4), (5), or (6) of Treasury Regulation Section 1.704-1(b)(2)(ii)(d) that results in such Member having a negative balance in its Capital Account at the close of any Fiscal Year in excess of the amount that it is required to restore on a liquidation of the Company at the close of such Fiscal Year (or of the Member's interest in the Company), or for any other reason has a deficit Capital Account balance in excess of such amount, such Member shall, prior to the allocations otherwise provided in this Section, be allocated Profit (and other income and gain) in an amount and manner sufficient to eliminate such excess as promptly as possible.

(4) In accordance with and pursuant to Treasury Regulation 1.704-2(i)(1), all partner nonrecourse deductions (as defined in that Regulation) shall be allocated to the Member that bears the economic risk of loss on the debt giving rise to such deductions as determined under that Regulation. Further, in accordance with and pursuant to Treasury Regulation 1.704-2(f) and -2(i)(4) (and subject to the exceptions set forth therein), if there is a net decrease in either the Company's Minimum Gain or Partner Nonrecourse Debt Minimum Gain or both during any Fiscal Year, all Members shall be allocated, before any other allocation is made of Profit (and other income and gain) or Loss (or other loss or deduction) for such Fiscal Year, items of income and gain for such Fiscal Year (and, if necessary, subsequent years) in an amount equal to the Member's share in the decrease in Minimum Gain or Partner Nonrecourse Debt Minimum Gain, as determined pursuant to Treasury Regulation Sections 1.704-2(g)(2) and 1.704-2(i)(4).

(5) It is the intent of the parties to this Agreement that the chargeback provisions and the limitation on loss allocations provided in this Section satisfy the "allocation of nonrecourse liability" rules provided in Treasury Regulation 1.704-2 and the requirements of Treasury Regulation 1.704-1(b)(2)(ii)(d) (relating to the alternate test for economic effect and "qualified income offset). It is further intended that the allocations under this Section shall effect an allocation for Federal income tax

purposes in a manner consistent with Section 704(b) and (c) of the Code and comply with any limitations or restrictions therein. If for any reason the allocations contained in this Agreement shall conflict with the Regulations promulgated under Section 704 of the Code, the Members acknowledge that such Regulations shall control.

(6) The allocations set forth in this Section (the "Regulatory Allocations") are intended to comply with certain requirements of Treasury Regulations Section 1.704-1(b). The Regulatory Allocations may not be consistent with the manner in which the Members intend to divide Company Distributions. Accordingly, the Tax Matters Partner (or any successor thereto) is hereby authorized, with the advice of the company's accountants, to devise other allocations of income, gains and losses and other items among the Members as may be necessary so as to prevent the Regulatory Allocations from distorting the manner in which Company Distributions will be divided among the Members; *provided, however*, that any change in the manner of maintaining Capital Accounts shall not materially alter the economic agreement between or among the Members as expressed in this Agreement without the consent of each Member. In general, the Members anticipate that this will be accomplished by specially allocating items of income, gain, loss and deduction among the Members so that the net amount of the Regulatory Allocations and such special allocations to such Member is zero. However, the Tax Matters Partner shall have discretion to accomplish this result in any reasonable manner.

8.4 Accounting Decisions

(a) Subject to the provisions of this Agreement, the Tax Matters Partner will make all decisions as to accounting matters.

(b) Subject to the provisions of this Agreement, the Tax Matters Partner may cause the Company to make whatever elections the Company may make under the Code, including the election referred to in Section 754 of the Code to adjust the basis of Company assets.

(c) The Company shall make the following elections on the appropriate tax returns:

(1) To adopt the calendar year as the Fiscal Year;

(2) To adopt the accrual method of accounting for income tax purposes and keep the Company's books and records in accordance with GAAP;

(3) If a Distribution as described in Section 734 of the Code occurs or if a transfer of a Membership Interest described in Section 743 of the Code occurs, upon the written request of any Member, to elect to adjust the basis of the property of the Company pursuant to Section 754 of the Code;

(4) To elect to amortize the organizational expenses of the Company and the start up expenditures of the Company under Section 195 of the Code ratably over a period of sixty months as permitted by Section 709(b) of the Code; and

(5) Any other election that the Tax Matters Partner may deem appropriate and in the best interests of the Members. Neither the Company nor any Member may make an election for the Company to be excluded from the application of Subchapter K of Chapter I of Subtitle A of the Code or any similar provisions of applicable state law, and no provisions of this Agreement shall be interpreted to authorize any such election.

8.5 Tax Matters Partner. Mediacom shall be the "tax matters partner" of the Company pursuant to Section 6231(a)(7) of the Code. Any Member who is designated as successor Tax Matters Partner shall take any action as may be necessary to cause each other Member to become a "notice partner" within the meaning of Section 6223 of the Code. The Tax Matters Partner shall not extend the statute of limitations, compromise any tax controversy or take any other material action except after consultation with the Members.

8.6 Tax Returns. The Tax Matters Partner shall cause to be prepared and filed all necessary Federal and state income tax returns for the Company. Each Member shall furnish to the Tax Matters Partner all pertinent information in its possession relating to Company operations that is necessary to enable the Company's income tax returns to be prepared and filed.

8.7 Tax Withholdings. The Company shall at all time be entitled to make payments with respect to any Member in amounts required to discharge any legal obligation of the Company pursuant to any provision of the Code or any other tax provision or any provision enacted in the future imposing a similar obligation on the Company to withhold or make payments to any governmental authority with respect to any United States federal, state or local tax liability of such Member arising as a result of such Member's interest in the Company. Each such payment made to any governmental authority shall be deemed to be a loan by the Company to such Member and shall not be deemed to be a distribution. The amount of such payments made with respect to any Member, plus interest at an annual rate equal to two percent plus the Company's highest borrowing rate on each such amount from the date of each such payment until such amount is repaid to the Company, shall be repaid to the Company by (i) deduction from the current or next succeeding distribution or distributions otherwise payable to such Member pursuant to this Agreement or (ii) earlier payment of such amounts and interest by such Member to the Company.

ARTICLE IX

Transfers

No Member may transfer, sell, gift, or otherwise dispose of all, or any portion of, or any interest or rights in, the Percentage Interest owned by the Member without the consent of all of the Members. Each Member hereby acknowledges the reasonableness of this prohibition in view of the purposes of the Company and the relationship among the members of the Members. The transfer of any Percentage Interest in violation of the prohibition contained in this Article IX shall be deemed invalid, null and void, and of no force and effect. Any Person to whom Percentage Interests are attempted to be transferred in violation of this Article IX shall not be entitled to vote on matters coming before the Members, participate in the management of the Company, act as an agent of the Company, receive Distributions or have any other rights in or with respect to the Percentage Interests. Notwithstanding the foregoing, each of the Members hereby consents to the pledge of the Percentage Interests pursuant to the Amended and Restated Security Agreement dated as of December 27, 1996, between Mediacom California and the Company, as Securing Parties, and The Chase Manhattan Bank, as Administrative Agent, as amended, restated, modified or supplemented from time to time, including as a result of any increase, deferral, renewal, extension or refinancing of the Credit Agreement, and consents to any transfer of Percentage Interests upon any foreclosure or other exercise of remedies in respect of such pledge.

ARTICLE X

Dissolution; Winding Up

10.1 Dissolution. The Company shall be dissolved upon the happening of any of the following events (each, a "Dissolution Event"):

(a) when the period fixed for its duration in Section 3.5 has expired;

(b) upon the vote of all the Members;

(c) the occurrence of an event described in Section 18-304 of the Delaware Act regarding bankruptcy or insolvency of any Member; or

(d) the entry of a decree of judicial dissolution under the Delaware Act.

10.2 Voluntary Withdrawal. Except as expressly permitted in this Agreement, a Member shall not voluntarily withdraw or take any other voluntary action which, directly or indirectly, causes a Dissolution Event.

10.3 Effect of Dissolution. Except as permitted by the Delaware Act, upon dissolution the Company shall cease to carry on its business and shall file a Certificate of Cancellation as provided in Section 18-203 of the Delaware Act.

10.4 Winding Up, Liquidation and Distribution of Assets.

10.4.1 Upon dissolution, an accounting shall be made by the Company's independent accountants of the accounts of the Company and of the Company's assets, liabilities and operations, from the date of the previous accounting until the date of the Dissolution Event. The Member appointed by the other Member as the liquidator (the "Liquidator") shall immediately proceed to wind up the affairs of the Company.

10.4.2 If the Company is dissolved and its affairs are to be wound up, the Liquidator shall:

(i) Sell or otherwise liquidate all of the Company's assets as promptly as practicable,

(ii) Discharge all liabilities of the Company, including liabilities to Members who are creditors (including with respect to Affiliate Subordinated Indebtedness and any amounts owed to Mediacom Management and deferred pursuant to the Credit Agreement), to the extent otherwise permitted by law, other than any liabilities to Members for distributions declared but not yet paid by the Company, and establish such reserves as may be reasonably necessary to provide for contingent liabilities of the Company,

(iii) Allocate any profit or loss resulting from the sales of Company assets to the Members in accordance with this Agreement, and

(iv) Distribute the remaining assets in the following order:

(1) If any assets of the Company are to be distributed in-kind, the net fair market value of such assets as of the date of the Dissolution Event shall be determined by an independent appraisal or the Tax Matters Partner. Such assets shall be deemed to have been sold as of the date of dissolution for their fair market value, and the Capital Accounts of the Members shall be adjusted pursuant to the provisions of this Agreement to reflect such deemed sale.

(2) In accordance with Section 7.4 hereof, either in cash or in-kind, as determined by the Liquidator, with any assets distributed in-kind being valued for this purpose at their fair market value in accordance with the requirements set forth in Treasury Regulation Section 1.704-1(b)(2)(ii)(b)(2).

10.4.3 Notwithstanding anything to the contrary in this Agreement, upon a liquidation within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(g), if any Member has a deficit Capital Account (after giving effect to all contributions, Distributions, allocations and other Capital Account adjustments for all Fiscal Years, including the year in which the liquidation occurs), such Member shall have no obligation to make any contribution to capital, and the negative balance of such Member's Capital Account shall not be considered a debt owed by such Member to the Company or to any other Person for any purpose whatsoever.

10.4.5 Upon completion of the winding up, liquidation and distribution of assets, the Company shall be deemed terminated.

10.5 Return of Contributions to Capital Nonrecourse to Other Members. Except as provided by law or as expressly provided in this Agreement, upon dissolution each Member shall look solely to the assets of the Company for the return of its Capital Contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the Capital Contributions of one or more Members, such Member or Members shall have no recourse against any other Member.

ARTICLE XI

INDEMNIFICATION

11.1 Exculpatory Provisions. None of the Members nor any of their respective shareholders, members, partners, officers, directors, employees or control persons (as such term is defined in the Securities Act of 1933, as amended, and the rules and regulations thereunder) of such Members (collectively, the "Indemnified Persons") shall be liable directly or indirectly, to the Company or to any other Member for any act or omission (in relation to the Company or this Agreement) taken or omitted by such Indemnified Person in good faith, provided that such act or omission did not constitute gross negligence, fraud or willful violation of the law or this Agreement.

11.2 Indemnification of Members. The Company shall, to the fullest extent permitted by the Delaware Act, indemnify and hold harmless each Indemnified Person against all claims, liabilities and expenses of whatever nature ("Claims") relating to activities undertaken in connection with the Company, including but not limited to amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel, accountants' and experts' and other fees, costs and expenses reasonably incurred in connection with the investigation, defense or disposition (including by settlement) of any action, suit or other proceeding, whether civil or criminal, before any court or administrative body in which such Indemnified Person may be or may have been involved, as a party or otherwise, or with which such Indemnified Person may be or may have been threatened, while acting as such Indemnified Person, provided that no indemnity shall be payable hereunder against any liability incurred by such Indemnified Person by reason of such Indemnified Person's gross negligence, fraud or willful violation of the law or this Agreement or with respect to any matter as to which such Indemnified Person shall have been adjudicated not to have acted in good faith.

11.3 Advance of Expenses. Expenses incurred by an Indemnified Person in defense or settlement of any Claim that may be subject to a right of indemnification hereunder may be advanced by the Company prior to the final disposition thereof upon receipt of an undertaking by or on behalf of the Indemnified Person to repay such amount if it shall ultimately be determined that the Indemnified Person is not entitled to be indemnified by the Company.

11.4 Control of Claim. The Company shall have the right to select counsel (provided such counsel is reasonably satisfactory to the Indemnified Person) and to control the defense of any action giving rise to a Claim, provided that an Indemnified Person may nevertheless employ counsel to represent and defend it, but the Company will not be required to pay the fees and disbursements of more than one counsel in any jurisdiction in any proceeding (unless by reason of potential conflicts of interest, representation by more than one counsel is necessary). The right to control the defense of any action shall not include the right to enter into a settlement with respect to such action, unless such settlement is for money damages only (and the Company first posts a bond or other security satisfactory to the Indemnified Person sufficient, without regard to the provisions of Section 11.6, to cover the full amount of the proposed settlement).

11.5 Non-Exclusivity. The right of any Indemnified Person to the indemnification provided herein shall be cumulative of, and in addition to, any and all rights to which such Indemnified Person may otherwise be entitled by contract or as a matter of law or equity and shall extend to such Indemnified Person's successors, assigns and legal representatives.

11.6 Satisfaction from Company Assets. All judgments against the Company or an Indemnified Person, in respect of which such Indemnified Person is entitled to indemnification, shall first be satisfied from Company assets before the Indemnified Person is responsible therefor.

11.7 Notices of Claims. Promptly after receipt by an Indemnified Person of notice of the commencement of any action or proceeding or threatened action or proceeding involving a Claim, such Indemnified Person will, if a claim for indemnification in respect thereof is to be made against the Company, give written notice to the Company and each other Member of the commencement of such action, *provided* that the failure of any Indemnified Person to give notice as provided herein shall not relieve the Company of its obligations under this Article XI, except to the extent that the Company is actually prejudiced by such failure to give notice. Each such Indemnified Person shall keep the Company and each other Member apprised of the progress of any such proceeding.

ARTICLE XII

General Provisions

12.1 Notices. Any notice, demand or other communication required or permitted to be given pursuant to this Agreement shall have been sufficiently given for all purposes if (a) delivered personally to the party or to an executive officer of the party to whom such notice, demand or other communication is directed or (b) sent by registered or certified mail, postage prepaid, addressed to the Member or the Company at its address set forth in this Agreement. Except as otherwise provided in this Agreement, any such notice shall be deemed to be given three business days after the date on which it was deposited in a regularly maintained receptacle for the deposit of United States mail, addressed and sent as set forth in this Section.

12.2 Amendments. This Agreement contains the entire agreement between the Members with respect to the subject matter of this Agreement, and supersedes each course of conduct previously pursued or acquiesced in, and each oral agreement and representation previously made, by the Members with respect thereto, whether or not relied or acted upon. No course of performance or other conduct subsequently pursued or acquiesced in, and no oral agreement or representation subsequently made, by the Members, whether or not relied or acted upon, and no usage of trade, whether or not relied or acted upon, shall amend this Agreement or impair or otherwise affect any Member's obligations pursuant to this Agreement or any rights and remedies of a Member pursuant to this Agreement. No amendment to this Agreement shall be effective unless made in a writing duly executed by all Members and specifically referring to each provision of this Agreement being amended.

12.3 Headings. The headings in this Agreement are for convenience only and shall not be used to interpret or construe any provision of this Agreement.

12.4 Waiver. No failure of a Member to exercise, and no delay by a Member in exercising, any right or remedy under this Agreement shall constitute a waiver of such right or remedy. No waiver by a Member of any such right or remedy under this Agreement shall be effective unless made in a writing duly executed by all Members and specifically referring to each such right or remedy being waived.

12.5 Sole Member. Upon formation, there shall be only one Member of the Company. Unless and until there is more than one Member, all references in this Agreement to Members shall be deemed to be references to the sole Member.

12.6 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law. However, if any provision of this Agreement shall be prohibited by or invalid under such law, it shall be deemed modified to conform to the minimum requirements of such law or, if for any reason it is not deemed so modified, it shall be prohibited or invalid only to the extent of such prohibition or invalidity without the remainder thereof or any other such provision being prohibited or invalid.

12.7 Binding. This Agreement shall be binding upon and inure to the benefit of all Members, and to the extent permitted by this Agreement, their respective legal successors and assignees.

12.8 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

12.9 Governing Law. This Agreement shall be governed by, and interpreted and construed in accordance with, the laws of the State of Delaware without regard to principles of conflict of laws.

12.10 Further Assurances. The Members each agree to cooperate, and to execute and deliver in a timely fashion any and all additional documents and do such further acts as may be necessary to effectuate the purposes of the Company and this Agreement.

IN WITNESS WHEREOF, the founding Member has executed this Operating Agreement as of the date first written above.

MEDIACOM LLC

By: /s/ Rocco B. Commisso

Name: Rocco B. Commisso
Title: Manager

EXHIBIT 3.11

CERTIFICATE OF FORMATION

OF

MEDIACOM SOUTHEAST LLC

The undersigned, an authorized natural person, for the purpose of forming a limited liability company, under the provisions and subject to the requirements of the State of Delaware (particularly Chapter 18, Title 6 of the Delaware Code and the acts amendatory thereof and supplemental thereto, and known, identified and referred to as the "Delaware Limited Liability Act"), hereby certifies that:

FIRST: The name of the limited liability company is Mediacom Southeast LLC (hereinafter called the "limited liability company");

SECOND: The address of the registered office and the name and address of the registered agent of the limited liability company, required to be maintained by Section 18-104 of the Delaware Limited Liability Company Act are the Lexis Document Services Inc., 30 Old Rudnick Lane, Suite 100, Dover, De 19901.

Executed on August 21, 1997.

/s/ H. Frances Kleiner

H. Frances Kleiner, Esq.
Sole Organizer
Cooperman Levitt Winikoff
Lester & Newman, P.C.
800 Third Avenue
New York, New York 10022

EXHIBIT 3.12

MEDIACOM SOUTHEAST LLC

OPERATING AGREEMENT

OPERATING AGREEMENT, dated as of January 23, 1998 (this "Agreement"), of MEDIACOM SOUTHEAST LLC, a Delaware limited liability company.

R E C I T A L S

WHEREAS, the Member has caused the formation of a limited liability company and desires to establish the respective rights and obligations of the Members pursuant to the Delaware Limited Liability Company Act in connection with the operation of MEDIACOM SOUTHEAST LLC.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties executing this Agreement below, intending to be legally bound, agree as follows:

ARTICLE I

DEFINITIONS

1.1 DEFINITIONS. In this Agreement, the following terms shall have the meanings set forth below when used in this Agreement with initial capital letters:

(a) "Accounting Period" shall mean, as the context may require, the period commencing on the date of this Agreement or on the day following the last day of the immediately preceding Accounting Period, and ending on the next succeeding of the following: (a) the last day of each fiscal year of the Company; (b) the date upon which the Company shall be dissolved; or (c) any day designated by the Tax Matters Partner as the date upon which an Accounting Period shall end.

(b) "Adjusted Basis" shall mean, as of any date of determination, the Company's adjusted basis in any asset as of such date, as determined for Federal income tax purposes pursuant to Section 1011 of the Code.

(c) "Affiliate" shall mean, with respect to any Person, any other Person controlling, controlled by or under common control with such Person, with "control" for such purpose meaning the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities or voting interests, by contract or otherwise.

(d) "Agreement" shall mean this Operating Agreement as amended from time to time.

(e) "Asset Purchase Agreement" shall have the meaning set forth in Section 3.6 of this Agreement.

(f) "Bridge Notes" shall mean the promissory notes issued by Mediacom to The Chase Manhattan Bank on or prior to the initial extension of credit under the Credit Agreement evidencing loans to Mediacom in the aggregate principal amount of $20,000,000.

(g) "Capital Account" shall mean as of any date the Capital Contribution to the Company by a Member, adjusted as of such date pursuant to the terms and provisions of this Agreement.

(h) "Capital Contribution" shall mean any contribution by a Member to the capital of the Company in cash, property or services rendered, as set forth on Schedule A.

(i) "Carrying Value" shall mean (i) with respect to any asset (other than cash) included in a Capital Contribution of a Member, the fair market value of such contributed property on the date of contribution reduced, but not below zero, by all depreciation, amortization, and similar expense charged to the Members' Capital Accounts with respect to such property and (ii) with respect to any other asset, the Adjusted Basis thereof.

(j) "CATV Systems" shall mean any cable distribution system that receives broadcast signals by antennae, microwave transmission, satellite transmission or any other form of transmission that amplifies such signals and distributes them.

(k) "Certificate of Formation" shall mean the Certificate of Formation of the Company filed with the Secretary of State of the State of Delaware on August 21, 1997.

(l) "Claims" shall have the meaning set forth in Section 11.2 of this Agreement.

(m) "Code" shall mean the Internal Revenue Code of 1986, as amended, and any successor to that Code.

(n) "Company" shall refer to MEDIACOM SOUTHEAST LLC, a Delaware limited liability company.

(o) "Credit Agreement" shall mean that certain Credit Agreement, dated as of January 23, 1998, by and among the Company, the lenders party thereto, and The Chase Manhattan Bank, as administrative agent, as amended, restated, modified or supplemented from time to time, including any increase, deferral, renewal, extension or refinancing thereof or any senior credit facility entered into hereafter by Mediacom or any subsidiary Affiliate.

(p) "Default Rule" shall mean a rule stated in the Delaware Act:

(i) which structures, defines, or regulates the finances, governance, operations, or other aspects of a limited liability company organized under the Delaware Act, and

(ii) which applies except to the extent it is negated or modified through the provisions of a limited liability company's certificate of formation or operating agreement.

(q) "Delaware Act" shall mean the Delaware Limited Liability Company Act.

(r) "Designated Senior Capital Account" shall have the meaning set forth in Section 6.3 of this Agreement.

(s) "Dissolution Event" shall have the meaning set forth in Section 10.1 of this Agreement.

(t) "Distribution" shall mean any cash and other property paid to a Member by the Company.

(u) "Fiscal Year" shall mean the fiscal year of the Company, which shall be the year ending December 31.

(v) "GAAP" shall mean generally accepted accounting principles applied on a consistent basis.

(w) "Indemnified Persons" shall have the meaning set forth in Section 11.1 of this Agreement.

(x) "Liquidator" shall have the meaning set forth in Section 10.4.1 of this Agreement.

(y) "Loss" shall mean the taxable loss of the Company for any Fiscal Year or portion thereof, as computed for Federal income tax purposes in accordance with Section 703(a) of the Code. For this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code shall be aggregated, but there shall be excluded from such computation any item of income, gain, loss, or deduction which is specifically allocated.

(z) "Mediacom" shall mean Mediacom LLC, a New York limited liability company and the sole Member of the Company.

(aa) "Mediacom Management" shall mean Mediacom Management Corporation, a Delaware corporation.

(bb) "Member" shall mean each Person who executes a counterpart of this Agreement.

(cc) "Minimum Gain" shall mean "partnership minimum gain" as defined in Treasury Regulation Section 1.704-2(d).

(dd) "Net Agreed Value" shall mean

(i) in the case of any Capital Contribution other than cash, the fair market value of such property at the time of contribution reduced by any indebtedness secured by such property and assumed or taken subject to by the Company upon such contribution under Section 752 of the Code, and

(ii) in the case of any property (other than cash) distributed to a Member, the fair market value of such property at the time of such distribution reduced by any indebtedness secured by such property and assumed or taken subject to by such Member upon such distribution under Section 752 of the Code.

(ee) "Partner Nonrecourse Debt" shall have the meaning set forth in Treasury Regulation 1.704-2(b)(4).

(ff) "Partner Nonrecourse Debt Minimum Gain" shall have the meaning set forth in Treasury Regulation 1.704-2(i)(3).

(gg) "Percentage Interest" shall mean with respect to any Member, the ratio of the value of the Capital Contribution of such Member to the aggregate value of all Capital Contributions.

(hh) "Person" shall mean any natural person, corporation, governmental authority, limited liability company, partnership, trust, unincorporated association or other commercial or legal entity.

(ii) "Preferred Equity" shall have the meaning set forth in Section 6.2 of this Agreement.

(jj) "Profit" shall mean the taxable income of the Company for any Fiscal Year or portion thereof as computed for Federal income tax purposes in accordance with Section 703(a) of the Code. For this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code shall be aggregated, but there shall be excluded from such computation any item of income, gain, loss, or deduction which is specifically allocated.

(kk) "Records" shall mean:

(1) true and full information regarding the status of the business and financial condition of the Company;

(2) copies of the Company's Federal, state, and local income tax returns;

(3) a current list of the name and last known business, residence, or mailing address of each Member;

(4) a copy of this Agreement, the Certificate of Formation, and all amendments thereto, together with executed copies of any written powers of attorney pursuant to which this Agreement and the Certificate of Formation and all amendments thereto have been executed;

(5) true and full information regarding the amount of cash and a description and statement of the value of any other property or services contributed by each Member and which each Member has agreed to contribute in the future, and the date on which each became a Member;

(6) a copy of each material contract entered into by the Company;

(7) minutes of the meetings of the Members; and

(8) other information regarding the affairs of the Company as required by an act of the Members or as is prudent and desirable in the opinion of the Members.

(ll) "Senior Note Financing" shall mean, collectively, senior promissory notes to be issued by Mediacom after the initial extension of credit under the Credit Agreement, and any promissory notes issued in exchange therefor.

(mm) "Tax Matters Partner" shall be the Member designated in Section 8.5 of this Agreement.

(nn) "Treasury Regulations" shall mean all proposed, temporary and final regulations promulgated under the Code as from time to time in effect.

(oo) "Unrealized Gain" shall mean, with respect to any asset and as of any date of determination, the excess, if any, of the then current fair market value of such asset over the Carrying Value thereof as of such date.

(pp) "Unrealized Loss" shall mean, with respect to any asset and as of any date of determination, the excess, if any, of the then current Carrying Value of such asset over the fair market value thereof as of such date.

ARTICLE II

RELATIONSHIP OF THIS AGREEMENT TO THE CERTIFICATE OF FORMATION AND TO THE DEFAULT RULES PROVIDED BY THE DELAWARE ACT

2.1 RELATIONSHIP OF THIS AGREEMENT TO THE DEFAULT RULES PROVIDED BY THE DELAWARE ACT.

Regardless of whether this Agreement specifically refers to particular Default Rules:

(a) if any provision of this Agreement conflicts with a Default Rule, the provision of this Agreement controls and the Default Rule is modified or negated accordingly, and

(b) if it is necessary to construe a Default Rule as modified or negated in order to effectuate any provision of this Agreement, the Default Rule is modified or negated accordingly.

2.2 RELATIONSHIP BETWEEN THIS AGREEMENT AND THE CERTIFICATE OF FORMATION .

If a provision of this Agreement differs from a provision of the Certificate of Formation, then to the extent allowed by law this Agreement shall govern.

ARTICLE III

ORGANIZATION

3.1 FORMATION. One or more Persons has acted as an organizer to form a limited liability company by preparing, executing and filing the Certificate of Formation attached hereto as Exhibit A pursuant to the Delaware Act.

3.2 NAME. The name of the Company is MEDIACOM SOUTHEAST LLC.

3.3 OFFICE OF THE COMPANY. The principal office of the Company shall be 100 Crystal Run Road, Middletown, New York 10941. The Company may establish any other places of business as the Members may from time to time deem advisable.

3.4 REGISTERED AGENT AND REGISTERED OFFICE. The registered agent and registered office of the Company shall be as designated in the Certificate of Formation which is Corporation Service Company, 1013 Center Road, Wilmington, Delaware 19805. The registered office and registered agent may be changed from time to time by filing the address of the new registered office and/or the name of the new registered agent with the Secretary of State of the State of Delaware pursuant to the Delaware Act.

3.5 TERM. The term of the Company shall be until December 31, 2026, unless the existence of the Company is terminated sooner pursuant to this Agreement or the Delaware Act.

3.6 PURPOSE. The Company is formed for any lawful business purpose or purposes. The business of the Company is to conduct any lawful business including, directly or through Persons in which the Company invests, to acquire franchises to operate, and to own, invest in, design, construct, maintain, manage and operate, one or more CATV Systems or wireless cable systems, or entities providing telecommunications services, and to do all things reasonably incidental thereto, including borrowing money and securing such borrowings by mortgage, pledge, or other lien, and leasing or disposing of CATV Systems. The initial business of the Company shall be to acquire and operate CATV Systems serving areas in and around certain communities primarily located in the states of Florida, Kentucky, North Carolina, Missouri and Alabama pursuant to that certain Asset Purchase Agreement, dated as of August 29, 1997, by and among U.S. Cable Television Group, L.P., ECC Holding Corporation, Missouri Cable Partners, L.P., Cablevision Systems Corporation and Mediacom, which Asset Purchase Agreement will be assigned to and assumed by the Company ("Asset Purchase Agreement").

ARTICLE IV

MEMBERS

4.1 NAMES AND ADDRESSES. The name and address of each Member is as set forth in Schedule A to this Agreement.

4.2 ADDITIONAL MEMBERS. A Person may be admitted as a member after the date of this Agreement upon the unanimous consent of the Members and upon compliance with the terms of this Agreement and any other conditions imposed by the Members from time to time for the admission of additional or substitute Members.

4.3 BOOKS AND RECORDS. The Company shall keep the Records at its principal place of business or at the office of Mediacom.

4.4 INFORMATION. Each Member and its agents may inspect the Records during ordinary business hours and upon reasonable notice at the principal office the Company, or other location of the Records.

4.5 LIMITATION OF LIABILITY. Each Member's liability shall be limited as set forth in this Agreement, the Delaware Act and other applicable law. No Member shall be personally liable for any indebtedness, liability or obligation of the Company without entering into a written agreement assuming such personal liability, except that such Member shall remain personally liable for the payment of its Capital Contribution and as otherwise set forth in this Agreement, the Delaware Act and any other applicable law.

4.6 PRIORITY AND RETURN OF CAPITAL. No Member shall have priority over any other Member, whether for the return of a Capital Contribution or for Profits, Losses, or Distributions; provided, however, that this Section 4.6 shall not apply to loans or other indebtedness (as distinguished from a Capital Contribution) made by a Member to the Company.

4.7 LIABILITY OF A MEMBER TO THE COMPANY. A Member who or which rightfully receives the return of any portion of a Capital Contribution is liable to the Company only to the extent now or hereafter provided by the Delaware Act. A Member who or which receives a Distribution made by the Company in violation of this Agreement or made when the Company's liabilities exceed its assets (after giving effect to such Distribution) shall be liable to the Company for the amount of such Distribution.

4.8 FINANCIAL ADJUSTMENTS. No Members admitted after the date of this Agreement shall be entitled to any retroactive allocation of losses, income or expense deductions incurred by the Company. The Tax Matters Partner may, in its discretion, at the time a Member is admitted, close the books and records of the Company (as though the Fiscal Year had ended) or make pro rata allocations of loss, income and expense deductions to such Member for that portion of the Fiscal Year in which such Member was admitted in accordance with the Code.

ARTICLE V

MANAGEMENT

5.1 MANAGEMENT. The Company shall be managed by its Members. Each Member shall have the right to act for and bind the Company in its ordinary course of its business. In order to effectively manage the operations of the Company, Mediacom, as Member, hereby authorizes and ratifies the execution, delivery and performance by the Company of the Management Agreement, dated as of the date hereof, between the Company and Mediacom Management, and the compensation set forth therein.

5.2 MEETING OF AND VOTING BY THE MEMBERS.

5.2.1 MEETINGS; NOTICE. Meetings of the Members may be called at any time by any Member and shall be held at the Company's principal office or at any other place, within or outside the State of Delaware, designated in any notice of such meeting. If no such designation is made, the place of any such meeting shall be the principal office of the Company. Written or oral notice stating the place, day and hour of the meeting indicating that it is being issued by or at the direction of the Member calling the meeting, stating the purpose or purposes for which the meeting is called shall be delivered no fewer than ten nor more than sixty days before the date of the meeting. Notice of a meeting need not be given to any Member who submits a signed waiver of notice, in person or by proxy, whether before or after the meeting. The attendance of a Member at a meeting, in person or by proxy, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice by it.

5.2.2 RECORD DATE. For the purpose of determining the Members entitled to notice of or to vote at any meeting of Members or any adjournment of such meeting, or Members entitled to receive payment of any Distribution, or to make a determination of Members for any other purpose, the date on which notice of the meeting is mailed or the date on which the resolution declaring Distribution is adopted, as the case may be, shall be the record date for making such a determination. When a determination of Members entitled to vote at any meeting of Members has been made pursuant to this Section, the determination shall apply to any adjournment of the meeting.

5.2.3 QUORUM; MANNER OF ACTING. Members holding not less than all the Percentage Interests, represented in person or by proxy, shall constitute a quorum at any meeting of Members. If a quorum is present at any meeting, the vote or written consent of Members holding all the Percentage Interests shall constitute the act of the Members.

5.2.4 ACTION BY MEMBERS WITHOUT A MEETING. Whenever the Members of the Company are required or permitted to take any action, such action may be taken without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken shall be signed by each of the Members.

5.2.5 PROXIES. A Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Every proxy must be signed by the Member or its attorney-in-fact. No proxy shall be valid after the expiration of three years from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Member executing it, except if the proxy states that it is irrevocable and if it is coupled with an interest in law sufficient to support an irrevocable power.

5.2.6 DUTIES OF MEMBERS. The Members shall devote such time to the business and affairs of the Company as is necessary to carry out the Members' duties set forth in this Agreement. Each Member shall perform its duties in good faith, in a manner it reasonably believes to be in the best interests of the Company and with such care as an ordinarily prudent person in a similar position would use under similar circumstances. A Member who so performs such duties shall not have any liability by reason of being or having been a Member. Nothing contained in this Agreement shall be deemed to require the Members to manage the Company as its sole and exclusive function and the Members may have other business interests and may engage in other activities in addition to those relating to the Company. Neither the Company nor any Member shall have any right pursuant to this Agreement to share or participate in such other business interests or activities or to the income or proceeds derived therefrom.

5.2.7 LIABILITY AND INDEMNIFICATION. A Member shall not be liable to the Company or the other Member for any loss or damage sustained by the Company or the other Member, unless the loss or damage shall have been the result of fraud, the gross negligence or willful misconduct of such Member.

5.2.8 OFFICERS. The Members may designate one or more individuals as officers of the Company, who shall have such titles and exercise and perform such powers and duties as shall be assigned to them from time to time by the Members. Any officer may be removed by the Members at any time, with or without cause. Each officer shall hold office until his or her successor is elected and qualified. Any number of offices may be held by the same individual. The salaries and other compensation of the officers shall be fixed by the Members.

5.3 MANAGEMENT FEES AND OTHER EXPENSES. Except as provided in the Management Agreement dated as of the date hereof between the Company and Mediacom Management, neither the Company nor any of its subsidiaries shall pay, or reimburse any Person for paying, any fees or expenses (including out-of-pocket expenses or allocated overhead), in respect of the executive management of the business or operations of the Company or any of its subsidiaries.

ARTICLE VI

CAPITAL CONTRIBUTIONS

6.1 CAPITAL CONTRIBUTIONS. Each Member shall contribute the amount set forth in Schedule A to this Agreement as the initial Capital Contribution to be made by such Member.

6.2 ADDITIONAL CONTRIBUTIONS. Except as set forth in the following sentences of this Section, no Member shall be required to make any Capital Contribution. Concurrently with the assignment to the Company by Mediacom of the Asset Purchase Agreement, Mediacom shall contribute to the capital of the Company (i) up to an additional $95,000,000 as a common equity capital contribution and (ii) an additional $20,000,000 as a preferred equity contribution prior to the issue of the Senior Notes. Mediacom may also contribute, upon the issuance of the Senior Notes, an additional amount as a preferred equity contribution (such equity, together with the equity contributed under clause (ii) above, the "Preferred Equity").

6.3 CAPITAL ACCOUNTS. A Capital Account shall be maintained for each Member in accordance with Section 8.2 of this Agreement. Upon the making of the Preferred Equity Capital Contribution, a separate Capital Account ("Designated Senior Capital Account") in respect of such Preferred Equity Capital Contribution shall be established, the initial balance of which will equal the amount of such Capital Contribution; provided that, as required by Treasury Regulation Section 1.704-1(b)(2)(iv)(b) only one overall Capital Account shall be maintained for each Member.

6.4 TRANSFERS. Upon a permitted sale or other transfer of Percentage Interests in the Company, the Capital Account relating to such transferred Percentage Interest shall become the Capital Account of the Person to which or whom such Percentage Interest is sold or transferred in accordance with Section 8.2(c) of this Agreement.

6.5 MODIFICATIONS. The manner in which Capital Accounts are to be maintained pursuant to this Agreement is intended to comply with the requirements of Section 704(b) of the Code. If in the opinion of the Tax Matters Partner, on the advice of the Company's accountants, the manner in which Capital Accounts are to be maintained pursuant to this Agreement should be modified to comply with Section 704(b) of the Code, then the method in which Capital Accounts are maintained shall be so modified; provided, however, that any change in the manner of maintaining Capital Accounts shall not materially alter the economic agreement between or among the Members as expressed in this Agreement without the consent of each Member.

6.6 DEFICIT CAPITAL ACCOUNT. Except as otherwise required in the Delaware Act or this Agreement, no Member shall have any liability to restore all or any portion of a deficit balance in a Capital Account.

6.7 WITHDRAWAL OR REDUCTION OF CAPITAL CONTRIBUTIONS. A Member shall not receive from the Company any portion of a Capital Contribution until all indebtedness, liabilities of the Company, except any indebtedness, liabilities and obligations to Members on account of their Capital Contributions, have been paid or there remains property of the Company sufficient to pay them. A Member, irrespective of the nature of the Capital Contribution of such Member, has only the right to demand and receive cash in return for such Capital Contribution.

6.8 NO RIGHTS OF REDEMPTION OR RETURN OF CONTRIBUTION. Except in accordance with the provisions of this Agreement, no Member has a right to have its Membership Interests or its Capital Contributions returned prior to the dissolution of the Company. Subject to restrictions imposed by the Credit Agreement, Members shall have the right to require the Company to redeem Preferred Equity on advance notice.

ARTICLE VII

ALLOCATIONS AND DISTRIBUTIONS

7.1 ALLOCATION OF PROFITS AND LOSSES.

(a) Profits for each Accounting Period shall be allocated among the Members as follows:

(1) First, as to the Designated Senior Capital Account, to the Members with deficit Designated Senior Capital Account balances at the end of such Accounting Period (but prior to any other allocation of Profits pursuant to this Section 7.1(a)), in proportion to such deficits, until such deficits are reduced to zero;

(2) Second, to the Members with deficit Capital Account balances at the end of such Accounting Period (but prior to any allocation of Profits pursuant to clauses (3) and (4) of this Section 7.1(a)), in proportion to such deficits, until such deficits are reduced to zero;

(3) Third, to the Members if Members' Capital Accounts do not correspond to their Percentage Interests at the end of such Accounting Period (after the allocation of Profits provided for in Sections 7.1(a)(1) and (2), but prior to any other alloca-tions of Profits pursuant to this Sections 7.1(a) and (2) so as to make Members' Capital Accounts correspond to their Percentage Interests; and

(4) The balance, to the Members in proportion to their Percentage Interests.

(b) Losses for each Accounting Period shall be allocated as follows:

(1) First, to the Members with positive Capital Account Balances (other than Designated Senior Capital Accounts) at the end of such Accounting Period, until such Capital Account Balances (other than Designated Senior Capital Accounts) are reduced to zero;

(2) Second, as to the Designated Senior Capital Account, to the Members with positive Designated Senior Capital Account balances at the end of such Accounting Period, until such Designated Senior Capital Account Balances are reduced to zero;

(3) Third, to the Members if Members' Capital Accounts do not correspond to their Percentage Interests at the end of such Accounting Period, so as to make Members' Capital Accounts correspond to their Percentage Interests; and

(4) The balance, to the Members in proportion to the Percentage Interests.

7.2 DISTRIBUTIONS. All Distributions other than Distributions pursuant to Sections 7.3 and 7.5 hereof shall be made to the Members in proportion to the amounts by which their Capital Contributions exceed all Distributions previously made to such Members until each has received amounts in the aggregate equal to its initial Capital Contribution, and then in proportion to their Percentage Interests.

7.3 DISTRIBUTIONS UPON PREFERRED EQUITY.

(a) Subject to any conditions or restrictions on payment set forth in the Credit Agreement ("Credit Agreement Limitations"), as a payment on account of the Preferred Equity, the Company shall pay to Mediacom an amount equal to the interest payable by Mediacom on such day pursuant to the Bridge Notes (exclusive of the unpaid principal amount of the Bridge Notes). Any such amount not paid by the Company because of Credit Agreement Limitations shall accrue interest at the then applicable rate set forth in the Bridge Notes and be paid at the earliest time practicable after the Credit Agreement Limitations no longer restrict such payment.

(b) Subject to any Credit Agreement Limitations, following payment in full of the Bridge Notes and the issuance of the Senior Notes, as a payment on account of the Preferred Equity, the Company shall pay to Mediacom an amount equal to the interest payable by Mediacom on the Senior Notes having a principal amount equal to the amount of the Preferred Equity on the day such interest is payable. Any such amount not paid by the Company because of Credit Agreement Limitations shall accrue interest at the then applicable rate set forth in the Senior Notes, and be paid at the earliest time practicable after Credit Agreement Limitations no longer restrict such payment.

7.4 NO ADDITIONAL RIGHT TO DISTRIBUTIONS EXCEPT UPON DISSOLUTION OF THE COMPANY.

The occurrence of a Dissolution Event with respect to the Company shall entitle each Member to receive the Distributions set forth in Section 7.5.

7.5 DISTRIBUTIONS UPON DISSOLUTION OF THE COMPANY. Upon dissolution of the Company:

(a) The Company shall first satisfy (or provide for the satisfaction of) all the Company's debts and other obligations (including any debts to Members and former Members, including any amounts owing in respect of Affiliate Subordinated Indebtedness, as that term is defined in the Credit Agreement, and any amounts due and owing Mediacom Management and deferred pursuant to the terms of the Credit Agreement but excluding other obligations to Members and former Members).

(b) The Company shall distribute its remaining assets to the Members and any former Members whose interests have not been previously redeemed as follows:

(1) First, to the members with Designated Senior Capital Accounts, any amount not previously paid by the Company pursuant to Section 7.3 because of Credit Agreement limitations in proportion to their Designated Senior Capital Accounts

(2) Second to the Members with Designated Senior Capital Accounts, in proportion to the amounts by which their capital contributions exceed previous distributions (exclusive of Preferred Distributions) until each has received amounts in the aggregate equal to its Capital Contributions;

(3) Third, to the Members in proportion to the amounts by which their Capital Contributions exceed previous

Distributions until each has received amounts in the aggregate equal to its Capital Contribution; and

(4) The balance to the Members in proportion to their Percentage Interests.

(c) Notwithstanding the foregoing provisions of Section 7.5(b), upon the dissolution of the Company, all Distributions shall be made to the Members in proportion to the positive balances of such Members' Capital Accounts (after such Capital Accounts have been adjusted to take into account all events related to such dissolution) and (after all Members have a zero balance in their Capital Accounts) all Distributions shall be made as provided in Section 7.5(b).

7.6 OFFSET. The Company may offset all amounts owing to the Company by a Member against any Distribution to be made to such Member.

7.7 LIMITATION UPON DISTRIBUTIONS. No Distribution shall be declared and paid unless, after such Distribution is made, the assets of the Company are in excess of all liabilities of the Company.

7.8 INTEREST ON AND RETURN OF CAPITAL CONTRIBUTIONS. No Member shall be entitled to interest on its Capital Contribution or to a return of its Capital Contribution, except as specifically set forth in this Agreement.

ARTICLE VIII

TAX MATTERS

8.1 TAX CHARACTERIZATION AND RETURNS.

(a) The Members acknowledge that the Company will be treated as a "partnership" for Federal and state tax purposes. All provisions of this Agreement and the Certificate of Formation are to be construed so as to preserve that tax status.

(b) Within ninety (90) days after the end of each Fiscal Year, the Tax Matters Partner will cause to be delivered to each Person who was a Member at any time during such Fiscal Year a Form K-1 and such other information, if any, with respect to the Company as may be necessary for the preparation of each Member's Federal or state income tax (or information) returns, including a statement showing each Member's share of income, gain or loss, and credits for the Fiscal Year.

8.2 CAPITAL ACCOUNTS.

(a) The Capital Account of each Member shall be increased by

(1) the amount of all Capital Contributions made by such Member (which amount, in the case of contributed property other than cash, shall be the Net Agreed Value thereof) and

(2) all Profit and each item of income and gain which is allocated to the Member pursuant to Section 7.1, 8.3(b), and 8.3(c) hereof (computed in each instance with the adjustments detailed in Section 8.2(b) below)

and decreased by

(x) all Loss and each item of loss and deduction which is allocated to the Member pursuant to Section 7.1, 8.3(b), and 8.3(c) (computed in each instance with the adjustments detailed in Section 8.2(b) below) and

(y) all cash and the Net Agreed Value of any property distributed by the Company to such Member pursuant to this Agreement.

(b) Solely for the purposes of maintaining the Members' Capital Accounts, the Profit or Loss of the Company and each item of income, gain, loss, or deduction which is specially allocated pursuant to Section 8.3(b) and 8.3(c) shall be adjusted as follows:

(1) Any income of the Company that is exempt from Federal income tax shall be added to such Profit or Loss;

(2) all deductions for depreciation, cost recovery, amortization, or similar items attributable to any property (other than cash) contributed by a Member to the Company (including adjustments under Section 48(q) of the Code) shall be determined as if the Adjusted Basis of such property on the date of contribution was equal to the Carrying Value of such property on such date, in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(g);

(3) Any income, gain or loss attributable to the taxable disposition of any asset shall be determined by the Company as if the Adjusted Basis of such asset as of the date of disposition were equal to the Carrying Value of such asset as of such date;

(4) All fees and other expenses incurred by the Company to promote the sale of (or to sell) an interest that can neither be deducted nor amortized under Section 709 of the Code shall be treated as an item of deduction.

(5) The computation of all items of income, gain, loss, and deduction shall be made without regard to any adjustment in the basis of Company asset as a result of an election under Section 754 of the Code which may be made by the Company (except to the extent required by Treasury Regulation Section 1.704-1(b)(2)(iv)(m)) and, as to those items described in Section 705(a)(2)(B) of the Code, without regard to the fact that such items are neither currently deductible nor capitalizable for Federal income tax purposes; and

(6) In the event that any Distribution is made to a Member other than in cash (including liquidating Distributions), the Capital Accounts of the Members, immediately prior to such distribution, shall be appropriately adjusted upward or downward to reflect any Unrealized Gain or Unrealized Loss attributable to the distributed property (determined on the basis of the fair market value of the property at the time of distribution).

(c) A transferee will succeed to the Capital Account, including the Designated Senior Capital Account (or such portion thereof) relating to the interest transferred, and there shall be no adjustment to the Capital Accounts or Designated Senior Capital Accounts as a result of such transfer except as otherwise required under Treasury Regulation Section 1.704-1. If, however, the transfer causes a termination of the Company under Section 708(b)(1)(B) of the Code, the assets shall be deemed to have been distributed in liquidation of the Company to the remaining Members (including such transferee) and recontributed by such Members and such transferee in reconstitution of the Company, and the Capital Accounts, including the Designated Senior Capital Accounts of the Members in such reconstituted Company shall at such time be determined, and shall thereafter be maintained, in accordance with the rules set forth in this Agreement .

SECTION 8.3 <u>SPECIAL TAX RULES.</u>

(a) <u>Special Rules Relating to Contributed Property.</u> Solely for tax purposes (and not for Capital Account purposes), in the case of any property (other than cash) included in a Capital Contribution, items of income, gain, loss, deduction, and credit attributable to such contributed property shall be allocated as follows:

(1) <u>first</u>, among the Members in a manner that takes into account the variation between the fair market value of such property and its Adjusted Basis at the time of contribution (in accordance with Section 704(c) of the Code and applicable Regulations), and

(2) <u>thereafter</u>, in accordance with Section 7.1 and the other provisions of this Article.

(b) Guaranteed Payments. Notwithstanding the foregoing, in the event that any fees, interest, or other amounts paid or payable to any Member are deducted by the Company in reliance on Sections 707(a) or 707(c) of the Code, and such fees, interest, or other amounts are disallowed as deductions to the Company and are recharacterized as Company distributions, there shall be allocated to such Member, prior to the allocations provided in Section 7.1, an amount of Company gross income for the year in which such fees, interest, or other amounts are treated as Company distributions equal to such fees, interest, or other amounts so treated as distributions.

(c) Special Overrides. (1) Solely for purposes of determining a Member's Capital Account, including the Designated Senior Capital Account in applying the provisions of this clause (c), the anticipated adjustments, allocations, and distributions described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4)-(6) shall be taken into account, and each Member shall be deemed obligated to restore any deficit in its Capital Account, including the Designated Senior Capital Account to the extent of the sum of its share of the Minimum Gain, as determined pursuant to Treasury Regulation Section 1.704-2(g)(i), and its share of the Partner Nonrecourse Debt Minimum Gain, as determined pursuant to Treasury Regulation Section 1.704-2(i)(5).

(2) Notwithstanding any other provision of this Agreement, no allocation of Loss, or other allocation of loss or deduction, shall be made to any Member if such allocation would result in such Member having a negative balance in its Capital Account, including the Designated Senior Capital Account at the close of any Fiscal Year in excess of the amount it would be required to restore on a liquidation of the Company at the close of such Fiscal Year (or a liquidation of such Member's interest in the Company).

(3) Notwithstanding any other provision of this Agreement, in the event any Member unexpectedly receives an adjustment, allocation, or distribution described in clause (4), (5), or (6) of Treasury Regulation Section 1.704-1(b)(2)(ii)(d) that results in such Member having a negative balance in its Capital Account, including the Designated Senior Capital Account at the close of any Fiscal Year in excess of the amount that it is required to restore on a liquidation of the Company at the close of such Fiscal Year (or of the Member's interest in the Company), or for any other reason has a deficit Capital Account or Designated Senior Capital Account balance in excess of such amount, such Member shall, prior to the allocations otherwise provided in this Section, be allocated Profit (and other income and gain) in an amount and manner sufficient to eliminate such excess as promptly as possible.

(4) In accordance with and pursuant to Treasury Regulation 1.704-2(i)(1), all partner nonrecourse deductions (as defined in that Regulation) shall be allocated to

the Member that bears the economic risk of loss on the debt giving rise to such deductions as determined under that Regulation. Further, in accordance with and pursuant to Treasury Regulation 1.704-2(f) and -2(i)(4) (and subject to the exceptions set forth therein), if there is a net decrease in either the Company's Minimum Gain or Partner Nonrecourse Debt Minimum Gain or both during any Fiscal Year, all Members shall be allocated, before any other allocation is made of Profit (and other income and gain) or Loss (or other loss or deduction) for such Fiscal Year, items of income and gain for such Fiscal Year (and, if necessary, subsequent years) in an amount equal to the Member's share in the decrease in Minimum Gain or Partner Nonrecourse Debt Minimum Gain, as determined pursuant to Treasury Regulation Sections 1.704-2(g)(2) and 1.704-2(i)(4).

(5) It is the intent of the parties to this Agreement that the chargeback provisions and the limitation on loss allocations provided in this Section satisfy the "allocation of nonrecourse liability" rules provided in Treasury Regulation 1.704-2 and the requirements of Treasury Regulation 1.704-1(b)(2)(ii)(d) (relating to the alternate test for economic effect and "qualified income offset). It is further intended that the allocations under this Section shall effect an allocation for Federal income tax purposes in a manner consistent with Section 704(b) and (c) of the Code and comply with any limitations or restrictions therein. If for any reason the allocations contained in this Agreement shall conflict with the Regulations promulgated under Section 704 of the Code, the Members acknowledge that such Regulations shall control.

(6) The allocations set forth in this Section (the "Regulatory Allocations") are intended to comply with certain requirements of Treasury Regulations Section 1.704-1(b). The Regulatory Allocations may not be consistent with the manner in which the Members intend to divide Company Distributions. Accordingly, the Tax Matters Partner (or any successor thereto) is hereby authorized, with the advice of the company's accountants, to devise other allocations of income, gains and losses and other items among the Members as may be necessary so as to prevent the Regulatory Allocations from distorting the manner in which Company Distributions will be divided among the Members; provided, however, that any change in the manner of maintaining Capital Accounts shall not materially alter the economic agreement between or among the Members as expressed in this Agreement without the consent of each Member. In general, the Members anticipate that this will be accomplished by specially allocating items of income, gain, loss and deduction among the Members so that the net amount of the Regulatory Allocations and such special allocations to such Member is zero. However, the Tax Matters Partner shall have discretion to accomplish this result in any reasonable manner.

8.4 ACCOUNTING DECISIONS.

(a) Subject to the provisions of this Agreement, the Tax Matters Partner will make all decisions as to accounting matters.

(b) Subject to the provisions of this Agreement, the Tax Matters Partner may cause the Company to make whatever elections the Company may make under the Code, including the election referred to in Section 754 of the Code to adjust the basis of Company assets.

(c) The Company shall make the following elections on the appropriate tax returns:

(1) To adopt the calendar year as the Fiscal Year;

(2) To adopt the accrual method of accounting for income tax purposes and keep the Company's books and records in accordance with GAAP;

(3) If a Distribution as described in Section 734 of the Code occurs or if a transfer of a Membership Interest described in Section 743 of the Code occurs, upon the written request of any Member, to elect to adjust the basis of the property of the Company pursuant to Section 754 of the Code;

(4) To elect to amortize the organizational expenses of the Company and the start up expenditures of the Company under Section 195 of the Code ratably over a period of sixty months as permitted by Section 709(b) of the Code; and

(5) Any other election that the Tax Matters Partner may deem appropriate and in the best interests of the Members. Neither the Company nor any Member may make an election for the Company to be excluded from the application of Subchapter K of Chapter I of Subtitle A of the Code or any similar provisions of applicable state law, and no provisions of this Agreement shall be interpreted to authorize any such election.

8.5 TAX MATTERS PARTNER. Mediacom shall be the "tax matters partner" of the Company pursuant to Section 6231(a)(7) of the Code. Any Member who is designated as successor Tax Matters Partner shall take any action as may be necessary to cause each other Member to become a "notice partner" within the meaning of Section 6223 of the Code. The Tax Matters Partner shall not extend the statute of limitations, compromise any tax controversy or take any other material action except after consultation with the Members.

8.6 TAX RETURNS. The Tax Matters Partner shall cause to be prepared and filed all necessary Federal and state income tax returns for the Company. Each Member shall furnish to the Tax Matters Partner all pertinent information in its possession relating to Company operations that is necessary to enable the Company's income tax returns to be prepared and filed.

8.7 TAX WITHHOLDINGS. The Company shall at all time be entitled to make payments with respect to any Member in amounts required to discharge any legal obligation of the Company pursuant to any provision of the Code or any other tax provision or any provision enacted in the future imposing a similar obligation on the Company to withhold or make payments to any governmental authority with respect to any United States federal, state or local tax liability of such Member arising as a result of such Member's interest in the Company. Each such payment made to any governmental authority shall be deemed to be a loan by the Company to such Member and shall not be deemed to be a distribution. The amount of such payments made with respect to any Member, plus interest at an annual rate equal to two percent plus the Company's highest borrowing rate on each such amount from the date of each such payment until such amount is repaid to the Company, shall be repaid to the Company by (i) deduction from the current or next succeeding distribution or distributions otherwise payable to such Member pursuant to this Agreement or (ii) earlier payment of such amounts and interest by such Member to the Company.

ARTICLE IX

TRANSFERS

No Member may transfer, sell, gift, or otherwise dispose of all, or any portion of, or any interest or rights in, the Percentage Interest owned by the Member without the consent of all of the Members. Each Member hereby acknowledges the reasonableness of this prohibition in view of the purposes of the Company and the relationship among the members of the Members. The transfer of any Percentage Interest in violation of the prohibition contained in this Article IX shall be deemed invalid, null and void, and of no force and effect. Any Person to whom Percentage Interests are attempted to be transferred in violation of this Article IX shall not be entitled to vote on matters coming before the Members, participate in the management of the Company, act as an agent of the Company, receive Distributions or have any other rights in or with respect to the Percentage Interests. Notwithstanding the foregoing, each of the Members hereby consents to the pledge of the Percentage Interests pursuant to the Guarantee and Pledge Agreement dated as of January 23, 1998, between Mediacom and the Company, as Securing Parties, and The Chase Manhattan Bank, as Administrative Agent, as amended, restated, modified or supplemented from time to time, including as a result of any increase, deferral, renewal, extension or refinancing of the Credit Agreement, and consents to any transfer of Percentage Interests upon any foreclosure or other exercise of remedies in respect of such pledge.

ARTICLE X

DISSOLUTION; WINDING UP

10.1 DISSOLUTION. The Company shall be dissolved upon the happening of any of the following events (each, a "Dissolution Event"):

(a) when the period fixed for its duration in Section 3.5 has expired;

(b) upon the vote of all the Members;

(c) the occurrence of an event described in Section 18-304 of the Delaware Act regarding bankruptcy or insolvency of any Member; or

(d) the entry of a decree of judicial dissolution under the Delaware Act.

10.2 VOLUNTARY WITHDRAWAL. Except as expressly permitted in this Agreement, a Member shall not voluntarily withdraw or take any other voluntary action which, directly or indirectly, causes a Dissolution Event.

10.3 EFFECT OF DISSOLUTION. Except as permitted by the Delaware Act, upon dissolution the Company shall cease to carry on its business and shall file a Certificate of Cancellation as provided in Section 18-203 of the Delaware Act.

10.4 WINDING UP, LIQUIDATION AND DISTRIBUTION OF ASSETS.

10.4.1 Upon dissolution, an accounting shall be made by the Company's independent accountants of the accounts of the Company and of the Company's assets, liabilities and operations, from the date of the previous accounting until the date of the Dissolution Event. The Member appointed by the other Member as the liquidator (the "Liquidator") shall immediately proceed to wind up the affairs of the Company.

10.4.2 If the Company is dissolved and its affairs are to be wound up, the Liquidator shall:

(i) Sell or otherwise liquidate all of the Company's assets as promptly as practicable,

(ii) Discharge all liabilities of the Company, including liabilities to Members who are creditors (including with respect to Affiliate Subordinated Indebtedness and any amounts owed to Mediacom Management and deferred pursuant to the Credit Agreement), to the extent otherwise permitted by law, other than any liabilities to Members for distributions declared but not yet paid by the Company, and establish such reserves as may be reasonably necessary to provide for contingent liabilities of the Company,

(iii) Allocate any profit or loss resulting from the sales of Company assets to the Members in accordance with this Agreement, and

(iv) Distribute the remaining assets in the following order:

(1) If any assets of the Company are to be distributed in-kind, the net fair market value of such assets as of the date of the Dissolution Event shall be determined by an independent appraisal or the Tax Matters Partner. Such assets shall be deemed to have been sold as of the date of dissolution for their fair market value, and the Capital Accounts of the Members shall be adjusted pursuant to the provisions of this Agreement to reflect such deemed sale.

(2) In accordance with Section 7.5 hereof, either in cash or in-kind, as determined by the Liquidator, with any assets distributed in-kind being valued for this purpose at their fair market value in accordance with the requirements set forth in Treasury Regulation Section 1.704-1(b)(2)(ii)(b)(2).

10.4.3 Notwithstanding anything to the contrary in this Agreement, upon a liquidation within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(g), if any Member has a deficit Capital Account (after giving effect to all contributions, Distributions, allocations and other Capital Account adjustments for all Fiscal Years, including the year in which the liquidation occurs), such Member shall have no obligation to make any contribution to capital, and the negative balance of such Member's

Capital Account shall not be considered a debt owed by such Member to the Company or to any other Person for any purpose whatsoever.

10.4.4 Upon completion of the winding up, liquidation and distribution of assets, the Company shall be deemed terminated.

10.5 RETURN OF CONTRIBUTIONS TO CAPITAL NONRECOURSE TO OTHER MEMBERS. Except as provided by law or as expressly provided in this Agreement, upon dissolution each Member shall look solely to the assets of the Company for the return of its Capital Contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the Capital Contributions of one or more Members, such Member or Members shall have no recourse against any other Member.

ARTICLE XI

INDEMNIFICATION

11.1 EXCULPATORY PROVISIONS. None of the Members nor any of their respective shareholders, members, partners, officers, directors, employees or control persons (as such term is defined in the Securities Act of 1933, as amended, and the rules and regulations thereunder) of such Members (collectively, the "Indemnified Persons") shall be liable directly or indirectly, to the Company or to any other Member for any act or omission (in relation to the Company or this Agreement) taken or omitted by such Indemnified Person in good faith, provided that such act or omission did not constitute gross negligence, fraud or willful violation of the law or this Agreement.

11.2 INDEMNIFICATION OF MEMBERS. The Company shall, to the fullest extent permitted by the Delaware Act, indemnify and hold harmless each Indemnified Person against all claims, liabilities and expenses of whatever nature ("Claims") relating to activities undertaken in connection with the Company, including but not limited to amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel, accountants' and experts' and other fees, costs and expenses reasonably incurred in connection with the investigation, defense or disposition (including by settlement) of any action, suit or other proceeding, whether civil or criminal, before any court or administrative body in which such Indemnified Person may be or may have been involved, as a party or otherwise, or with which such Indemnified Person may be or may have been threatened, while acting as such Indemnified Person, provided that no indemnity shall be payable hereunder against any liability incurred by such Indemnified Person by reason of such Indemnified Person's gross negligence, fraud or willful violation of the law or this Agreement or with respect to any matter as to which such Indemnified Person shall have been adjudicated not to have acted in good faith.

11.3 ADVANCE OF EXPENSES. Expenses incurred by an Indemnified Person in defense or settlement of any Claim that may be subject to a right of indemnification hereunder may be advanced by the Company prior to the final disposition thereof upon receipt of an undertaking by or on behalf of the Indemnified Person to repay such amount if it shall ultimately be determined that the Indemnified Person is not entitled to be indemnified by the Company.

11.4 CONTROL OF CLAIM. The Company shall have the right to select counsel (provided such counsel is reasonably satisfactory to the Indemnified Person) and to control the defense of any action giving rise to a Claim, provided that an Indemnified Person may nevertheless employ counsel to represent and defend it, but the Company will not be required to pay the fees and disbursements of more than one counsel in any jurisdiction in any proceeding (unless by reason of potential conflicts of interest, representation by more than one counsel is necessary). The right to control the defense of any action shall not include the right to enter into a settlement with respect to such action, unless such settlement is for money damages only (and the Company first posts a bond or other security satisfactory to the Indemnified Person sufficient, without regard to the provisions of Section 11.6, to cover the full amount of the proposed settlement).

11.5 NON-EXCLUSIVITY. The right of any Indemnified Person to the indemnification provided herein shall be cumulative of, and in addition to, any and all rights to which such Indemnified Person may otherwise be entitled by contract or as a matter of law or equity and shall extend to such Indemnified Person's successors, assigns and legal representatives.

11.6 SATISFACTION FROM COMPANY ASSETS. All judgments against the Company or an Indemnified Person, in respect of which such Indemnified Person is entitled to indemnification, shall first be satisfied from Company assets before the Indemnified Person is responsible therefor.

11.7 NOTICES OF CLAIMS. Promptly after receipt by an Indemnified Person of notice of the commencement of any action or proceeding or threatened action or proceeding involving a Claim, such Indemnified Person will, if a claim for indemnification in respect thereof is to be made against the Company, give written notice to the Company and each other Member of the commencement of such action, provided that the failure of any Indemnified Person to give notice as provided herein shall not relieve the Company of its obligations under this Article XI, except to the extent that the Company is actually prejudiced by such failure to give notice. Each such Indemnified Person shall keep the Company and each other Member apprised of the progress of any such proceeding.

ARTICLE XII

GENERAL PROVISIONS

12.1 NOTICES. Any notice, demand or other communication required or permitted to be given pursuant to this Agreement shall have been sufficiently given for all purposes if (a) delivered personally to the party or to an executive officer of the party to whom such notice, demand or other communication is directed or (b) sent by registered or certified mail, postage prepaid, addressed to the Member or the Company at its address set forth in this Agreement. Except as otherwise provided in this Agreement, any such notice shall be deemed to be given three business days after the date on which it was deposited in a regularly maintained receptacle for the deposit of United States mail, addressed and sent as set forth in this Section.

12.2 AMENDMENTS. This Agreement contains the entire agreement between the Members with respect to the subject matter of this Agreement, and supersedes each course of conduct previously pursued or acquiesced in, and each oral agreement and representation previously made, by the Members with respect thereto, whether or not relied or acted upon. No course of performance or other conduct subsequently pursued or acquiesced in, and no oral agreement or representation subsequently made, by the Members, whether or not relied or acted upon, and no usage of trade, whether or not relied or acted upon, shall amend this Agreement or impair or otherwise affect any Member's obligations pursuant to this Agreement or any rights and remedies of a Member pursuant to this Agreement. No amendment to this Agreement shall be effective unless made in a writing duly executed by all Members and specifically referring to each provision of this Agreement being amended.

12.3 HEADINGS. The headings in this Agreement are for convenience only and shall not be used to interpret or construe any provision of this Agreement.

12.4 WAIVER. No failure of a Member to exercise, and no delay by a Member in exercising, any right or remedy under this Agreement shall constitute a waiver of such right or remedy. No waiver by a Member of any such right or remedy under this Agreement shall be effective unless made in a writing duly executed by all Members and specifically referring to each such right or remedy being waived.

12.5 SOLE MEMBER. Upon formation, there shall be only one Member of the Company. Unless and until there is more than one Member, all references in this Agreement to Members shall be deemed to be reference to the sole Member.

12.6 SEVERABILITY. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law. However, if any provision of this Agreement shall be prohibited by or invalid under such law, it shall be deemed modified to conform to the minimum requirements of such law or, if for any reason it is not deemed so modified, it shall be prohibited or invalid only to the extent of such prohibition or invalidity without the remainder thereof or any other such provision being prohibited or invalid.

12.7 BINDING. This Agreement shall be binding upon and inure to the benefit of all Members, and to the extent permitted by this Agreement, their respective legal successors and assignees.

12.8 COUNTERPARTS. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

12.9 GOVERNING LAW. This Agreement shall be governed by, and interpreted and construed in accordance with, the laws of the State of Delaware without regard to principles of conflict of laws.

12.10 FURTHER ASSURANCES. The Members each agree to cooperate, and to execute and deliver in a timely fashion any and all additional documents and do such further acts as may be necessary to effectuate the purposes of the Company and this Agreement.

IN WITNESS WHEREOF, the founding Member has executed this Operating Agreement as of the date first written above.

MEDIACOM LLC

By: /s/ Rocco B. Commisso

Name: Rocco B. Commisso
Title: Manager

EXHIBIT 4.1(a)

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MEDIACOM LLC

and

MEDIACOM CAPITAL CORPORATION

as Issuers

and

BANK OF MONTREAL TRUST COMPANY,

as Trustee

INDENTURE

Dated as of April 1, 1998

8 1/2 % Senior Notes due 2008

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RECONCILIATION AND TIE BETWEEN TRUST INDENTURE ACT
OF 1939 AND INDENTURE, DATED AS OF APRIL 1, 1998*/

TRUST INDENTURE ACT SECTION	INDENTURE SECTION
(S) 310(a)(1)	608
(S) 310(a)(2)	608
(S) 310(b)	609
(S) 312(a)	701
(S) 312(c)	702
(S) 313(a)	703
(S) 313(c)	703
(S) 314(a)(4)	1010(a)
(S) 314(c)(1)	102
(S) 314(c)(2)	102
(S) 314(e)	102
(S) 315(a)	601(a)
(S) 315(b)	602
(S) 315(c)	601(b)
(S) 315(d)	601(c), 603
(S) 316(a)(last sentence)	101 ("outstanding")
(S) 316(a)(a)(1)(A)	502, 512
(S) 316(a)(a)(1)(B)	513
(S) 316(a)(b)	508
(S) 316(a)(c)	104(d)
(S) 317(a)(1)	503
(S) 317(a)(2)	504
(S) 317(b)	1003
(S) 318(a)	111

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*/ Note: This reconciliation and tie shall not, for any purpose, be deemed to be a part of the Indenture.

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INDENTURE, dated as of April 1, 1998, between MEDIACOM LLC, a New York limited liability company ("Mediacom"), MEDIACOM CAPITAL CORPORATION, a New York corporation ("Mediacom Capital" and together with Mediacom, the "Issuers"), as joint and several obligors, each having its principal office at 100 Crystal Run Road, Middletown, New York 10941, and BANK OF MONTREAL TRUST COMPANY, a New York trust company, as trustee (the "Trustee"), having its principal corporate trust office at 88 Pine Street, New York, NY 10005.

RECITALS OF THE ISSUERS

The Issuers have duly authorized the creation of and issuance of (i) 8 1/2% Senior Notes due 2008 (the "Initial Notes") and (ii) if and when issued in exchange for notes as provided in the Registration Rights Agreement (as defined herein), 8 1/2% Senior Notes due 2008 (the "Exchange Notes") (the Initial Notes, the Exchange Notes, the Private Exchange Notes (as defined herein) and the Additional Notes (as defined herein) are referred to herein collectively as the "Notes"), of substantially the tenor and amount hereinafter set forth, and to provide therefor the Issuers have duly authorized the execution and delivery of this Indenture. "Exchange Notes" and "Private Exchange Notes" shall include notes issued in exchange for Additional Notes having substantially the same tenor and amount as the Additional Notes.

Upon the issuance of the Exchange Notes, if any, or the effectiveness of the Shelf Registration Statement (as defined herein), this Indenture will be subject to, and shall be governed by, the provisions of the Trust Indenture Act of 1939, as amended, that are required or deemed to be part of and to govern indentures qualified thereunder.

All things necessary have been done to make the Notes, when executed and duly issued by the Issuers and authenticated and delivered hereunder by the Trustee or the Authenticating Agent, the valid obligations of the Issuers and to make this Indenture a valid agreement of the Issuers in accordance with their and its terms.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Notes by the Holders thereof, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of the Notes, as follows:

ARTICLE ONE.
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

SECTION 101. Definitions.

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(a) the terms defined in this Article have the meanings assigned to them in this Article, and words in the singular include the plural as well as the singular, and words in the plural include the singular as well as the plural;

(b) all other terms used herein which are defined in the Trust Indenture Act, either directly or by reference therein, or defined by SEC rule and not otherwise defined herein have the meanings assigned to them therein;

(c) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with GAAP (as defined herein);

(d) the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision;

(e) the word "or" is not exclusive; and

(f) provisions of this Indenture apply to successive events and transactions.

Certain terms, used principally in Articles Two, Ten and Twelve, are defined in those Articles.

"Acquired Indebtedness" means Indebtedness of a Person existing at the time such Person becomes a Restricted Subsidiary or assumed in connection with an Asset Acquisition from such Person and not Incurred in connection with, or in anticipation of, such Person becoming a Restricted Subsidiary or such Asset Acquisition.

"Affiliate" means (i) any Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, Mediacom; (ii) any spouse, immediate family member or other relative who has the same principal residence as any Person described in clause (i) above; (iii) any trust in which any such Persons described in clauses (i) and (ii) above has a beneficial interest; and (iv) any corporation or other organization of which any such Persons described above collectively owns 5% or more of the equity of such entity. For purposes of this definition, "control" (including, with correlative meaning, the terms "controlling," "controlled by" and "under common control with") when used with respect to any specified Person includes the direct or indirect beneficial ownership of more than 5% of the voting securities of such Person or the power to direct or cause the direction of the management and policies of such Person whether by contract or otherwise.

"Asset Acquisition" means (i) an Investment by Mediacom or any Restricted Subsidiary in any other Person pursuant to which such Person shall become a Restricted Subsidiary or shall be consolidated or merged with or into Mediacom or any Restricted Subsidiary, or (ii) any acquisition by Mediacom or any Restricted Subsidiary of the assets of any Person which constitute substantially all of an operating unit, a division or a line of business of such Person or which is otherwise outside of the ordinary course of business.

"Asset Sale" means any direct or indirect sale, conveyance, transfer, lease (that has the effect of a disposition) or other disposition (including, without limitation, any merger, consolidation or sale-leaseback transaction) to any Person other than Mediacom or any Wholly Owned Restricted Subsidiary or any Controlled Subsidiary, in one transaction or a series of related transactions, of (i) any Equity Interest of any Restricted Subsidiary, (ii) any material license, franchise or other authorization of Mediacom or any Restricted Subsidiary, (iii) any assets of Mediacom or any Restricted Subsidiary which constitute substantially all of an operating unit, a division or a line of business of Mediacom or any Restricted Subsidiary or (iv) any other property or asset of Mediacom or any Restricted Subsidiary outside of the ordinary course of business. For the purposes of this definition, the term "Asset Sale" shall not include (i) any transaction consummated in compliance with Sections 801 and 1012, and the creation of any Lien not prohibited under Section 1011, (ii) the sale of property or equipment that has become worn out, obsolete or damaged or otherwise unsuitable for use in connection with the business of Mediacom or any Restricted Subsidiary, as the case may be, (iii) any transaction consummated in compliance with Section 1007, and (iv) Asset Swaps permitted pursuant to clause (d) of Section 1013. In addition, solely for purposes of Section 1013, any sale, conveyance, transfer, lease or other disposition, whether in one transaction or a series of related transactions, involving assets with a fair market value not in excess of $2,000,000 in any fiscal year shall be deemed not to be an Asset Sale.

"Asset Sale Proceeds" means, with respect to any Asset Sale, (i) cash received by Mediacom or any of its Restricted Subsidiaries from such Asset Sale (including cash received as consideration for the assumption of liabilities incurred in connection with or in anticipation of such Asset Sale), after (a) provision for all income or other taxes measured by or resulting from such Asset Sale, (b) payment of all brokerage commissions, underwriting, legal, accounting and other fees and expenses related to such Asset Sale, and any relocation expenses incurred as a result thereof, (c) provision for minority interest holders in any Restricted Subsidiary as a result of such Asset Sale by such Restricted Subsidiary, (d) payment of amounts required to be applied to the repayment of Indebtedness secured by a Lien on the asset or assets that were the subject of such Asset Sale (including payments made to obtain or avoid the need for the consent of any holder of such Indebtedness), and (e) deduction of appropriate amounts to be provided by Mediacom or such Restricted Subsidiary as a reserve, in accordance with generally accepted accounting principles consistently applied, against any liabilities associated with the assets sold or disposed of in such Asset Sale and retained by Mediacom or such Restricted Subsidiary after such Asset Sale, including, without limitation, pension and other post employment benefit liabilities and liabilities related to environmental matters or against any indemnification obligations associated with the assets sold or disposed of in such Asset Sale; and (ii) promissory notes and other non-cash consideration received by Mediacom or any Restricted Subsidiary from such Asset Sale or other disposition upon the liquidation or conversion of such notes or non-cash consideration into cash.

"Asset Swap" means the substantially concurrent purchase and sale, or exchange, of Productive Assets between Mediacom or any of the Restricted Subsidiaries and another Person or group of affiliated Persons (which Person or group of affiliated Persons is not affiliated with Mediacom and the Restricted Subsidiaries) pursuant to an Asset Swap Agreement; it being understood that an Asset Swap may include a cash equalization payment made in connection therewith, provided that such cash payment, if received by Mediacom or any of the Restricted Subsidiaries, shall be deemed to be proceeds received from an Asset Sale and shall be applied in accordance with Section 1013.

"Asset Swap Agreement" means a definitive agreement, subject only to customary closing conditions that Mediacom in good faith believes will be satisfied, providing for an Asset Swap; provided, however, that any amendment to, or waiver of, any closing condition that individually or in the aggregate is material to such Asset Swap shall be deemed to be a new Asset Swap.

"Available Asset Sale Proceeds" means, with respect to any Asset Sale, the aggregate Asset Sale Proceeds from such Asset Sale that have not been applied in accordance with clause (iii)(a) and that have not yet been the basis for application in accordance with clause (iii)(b) of clause (a) of Section 1013.

"Bankruptcy Law" means Title II, U.S. Code or any similar federal or state law for relief of debtors.

"Business Day" means a day other than a Saturday, Sunday or other day on which commercial banking institutions are authorized or required by law to close in New York City.

"Capitalized Lease Obligations" means Indebtedness represented by obligations under a lease that is required to be capitalized for financial reporting purposes in accordance with generally accepted accounting principles and the amount of such Indebtedness shall be the capitalized amount of such obligations determined in accordance with generally accepted accounting principles consistently applied.

"Cash Equivalents" means (i) United States dollars; (ii) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof having maturities of not more than six months from the date of acquisition; (iii) certificates of deposit and eurodollar time deposits with maturities of six months or less from the date of acquisition, bankers' acceptances with maturities not exceeding six months and overnight bank deposits, in each case with any lender party to any Subsidiary Credit Facility or any Future Subsidiary Credit Facility or with any domestic commercial bank having capital and surplus in excess of $500,000,000; (iv) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (ii) and (iii) above entered into with any financial institution meeting the qualifications specified in clause (iii) above; (v) commercial paper having a rating of at least P-1 from Moody's or a rating of at least A-1 from S&P; and (vi) money market mutual or similar funds having assets in excess of $100,000,000, at least 95% of the assets of which are comprised of assets specified in clauses (i) through (v) above.

"Change of Control" means the occurrence of any 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 total voting power of the then outstanding Voting Equity Interests of Mediacom; (ii) Mediacom consolidates with, or merges with or into, another Person (other than a Wholly Owned Restricted Subsidiary) or Mediacom or any its Subsidiaries sells, assigns, conveys, transfers, leases or otherwise disposes of all or substantially all of the assets of Mediacom and its Subsidiaries (determined on a consolidated basis) to any Person (other than Mediacom or any Wholly Owned Restricted Subsidiary), 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 total voting power of the then outstanding Voting Equity Interests of Mediacom, "beneficially own" (as so determined), directly or indirectly, more than 50% of the total voting power of the then outstanding Voting Equity Interests of the surviving or transferee Person; (iii) Mediacom is liquidated or dissolved or adopts a plan of liquidation or dissolution (whether or not otherwise in compliance with the provisions of this Indenture); (iv) a majority of the members of the Executive Committee of Mediacom shall consist of Persons who are not Continuing Members; or (v) Mediacom ceases to own 100% of the issued and outstanding Equity Interests of Mediacom Capital, other than by reason of a merger of Mediacom Capital into and with a corporate successor to Mediacom; 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) Rocco B. Commisso continues to be the manager of Mediacom pursuant to the Operating Agreement and/or the chief executive officer of Mediacom (or the surviving or transferee Person in the case of clause (ii) above), or (B) Rocco B. Commisso and the other Permitted Holders together with their respective designees constitute the majority of the members of the Executive Committee.

"Change of Control Offer" shall have the meaning ascribed thereto in Section 1012.

"Change of Control Payment" shall have the meaning ascribed thereto in Section1012.

"Code" means the Internal Revenue Code of 1986, as amended.

"Committee Resolution" means with respect to Mediacom, a duly adopted resolution of the Executive Committee of Mediacom.

"Comparable Restriction Provisions" shall have the meaning ascribed thereto in Section 1010.

"Consolidated Income Tax Expense" means, with respect to Mediacom for any period, the provision for federal, state, local and foreign income taxes payable by Mediacom and the Restricted Subsidiaries for such period as determined on a consolidated basis in accordance with generally accepted accounting principles consistently applied.

"Consolidated Interest Expense" means, with respect to Mediacom and the Restricted Subsidiaries for any period, without duplication, the sum of (i) the interest expense of Mediacom and the Restricted Subsidiaries for such period as determined on a consolidated basis in accordance with generally accepted accounting principles consistently applied, including, without limitation, amortization of original issued discount on any Indebtedness and the interest portion of any deferred payment obligation and after taking into account the effect of elections made under any Hedging Agreements, however denominated, with respect to such Indebtedness; (ii) the interest component of Capitalized Lease Obligations paid, accrued and/or scheduled to be paid or accrued by Mediacom and the Restricted Subsidiaries during such period as determined on a consolidated basis in accordance with generally accepted accounting principles consistently applied; and (iii) dividends and distributions in respect of Disqualified Equity Interests actually paid in cash by Mediacom and the Restricted Subsidiaries during such period as determined on a consolidated basis in accordance with generally accepted accounting principles consistently applied. For purposes of this definition, interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by Mediacom to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with generally accepted accounting principles consistently applied.

"Consolidated Net Income" means, with respect to any period, the net income (loss) of Mediacom and the Restricted Subsidiaries for such period determined on a consolidated basis in accordance with generally accepted accounting principles consistently applied, adjusted, to the extent included in calculating such net income (loss), by excluding, without duplication, (i) all extraordinary, unusual or nonrecurring items of income or expense and of gains or losses and all gains and losses from the sale or other disposition of assets out of the ordinary course of business (net of taxes, fees and expenses relating to the transaction giving rise thereto) for such period; (ii) that portion of such net income (loss) derived from or in respect of Investments in Persons other than any Restricted Subsidiary, except to the extent actually received in cash by Mediacom or any Restricted Subsidiary; (iii) the portion of such net income (loss) allocable to minority interests in unconsolidated Persons for such period, except to the extent actually received in cash by Mediacom or any Restricted Subsidiary; (iv) net income (loss) of any other Person combined with Mediacom or any Restricted Subsidiary on a "pooling of interests" basis attributable to any period prior to the date of combination; (v) net income (loss) of any Restricted Subsidiary to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that net income (loss) is not at the date of determination permitted without any prior governmental approval (which has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or the holders of its Equity Interests; (vi) the cumulative effect of a change in accounting principles after the date of this Indenture; (vii) net income (loss) attributable to discontinued operations; (viii) management fees payable to the "manager" as defined in the Operating Agreement and to Mediacom Management and its Affiliates pursuant to management agreements with Subsidiaries of Mediacom accrued for such period that have not been paid during such period; and (ix) any other item of expense, other than "interest expense," which appears on Mediacom's consolidated statement of income (loss) below the line item "Operating Income," determined on a consolidated basis in accordance with generally accepted accounting principles consistently applied.

"Consolidated Total Indebtedness" means, as at any date of determination, an amount equal to the aggregate amount of all outstanding Indebtedness and the aggregate liquidation preference or redemption payment value of all Disqualified Equity Interests of Mediacom and the Restricted Subsidiaries outstanding as of such date of determination, less the obligations of Mediacom or any Restricted Subsidiary under any Hedging Agreement as of such date of determination that would appear as a liability on the balance sheet of such Person, in each case determined on a consolidated basis in accordance with generally accepted accounting principles consistently applied.

"Continuing Member" means, as of the date of determination, any Person who (i) was a member of the Executive Committee of Mediacom on the date of this Indenture, (ii) was nominated for election or elected to the Executive Committee of Mediacom 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.

"Controlled Subsidiary" means a Restricted Subsidiary which is engaged in a Related Business (i) 80% or more of the outstanding Equity Interests of which (other than Equity Interests constituting directors' qualifying shares to the extent mandated by applicable law) are owned by Mediacom or by one or more Wholly Owned Restricted Subsidiaries or Controlled Subsidiaries or by Mediacom and one or more Wholly Owned Restricted Subsidiaries or Controlled Subsidiaries, (ii) of which Mediacom possesses, directly or indirectly, the power to direct or cause the direction of the management or policies, whether through the ownership of Voting Equity Interests, by agreement or otherwise, and (iii) all of whose Indebtedness is Non-Recourse Indebtedness.

"Corporate Trust Office" means the office of the Trustee which initially is located at 88 Pine Street, New York, New York.

"Cumulative Credit" means the sum of (i) $10,000,000, plus (ii) the aggregate Net Cash Proceeds received by Mediacom or a Restricted Subsidiary from the issue or sale (other than to a Restricted Subsidiary) of Equity Interests of Mediacom or a Restricted Subsidiary (other than Disqualified Equity Interests) on or after April 1, 1998, plus (iii) the principal amount (or accreted amount (determined in accordance with generally accepted accounting principles), if less) of any Indebtedness, or the liquidation preference or redemption payment value of any Disqualified Equity Interests, of Mediacom or any Restricted Subsidiary which has been converted into or exchanged for Equity Interests of Mediacom or a Restricted Subsidiary (other than Disqualified Equity Interests) on or after April 1, 1998, plus (iv) cumulative Operating Cash Flow on or after April 1, 1998, to the end of the fiscal quarter immediately preceding the date of the proposed Restricted Payment, or, if cumulative Operating Cash Flow for such period is negative, minus the amount by which cumulative Operating Cash Flow is less than zero, plus (v) to the extent not already included in Operating Cash Flow, if any Investment constituting a Restricted Payment that was made after the date of this Indenture is sold or otherwise liquidated or repaid or any Unrestricted Subsidiary which was designated as an Unrestricted Subsidiary after the date of this Indenture is sold or otherwise liquidated, the fair market value of such Restricted Payment (less the cost of disposition, if any) on the date of such sale, liquidation or repayment, as determined in good faith by the Executive Committee, whose determination shall be conclusive and evidenced by a Committee Resolution, plus (vi) if any Unrestricted Subsidiary is redesignated as a Restricted Subsidiary, the value of the Restricted Payment that would result if such Subsidiary were redesignated as an Unrestricted Subsidiary at such time, determined in accordance with Section 1018.

"Cumulative Interest Expense" means the aggregate amount of Consolidated Interest Expense paid or accrued of the Issuers and the Restricted Subsidiaries on or after April 1, 1998, to the end of the fiscal quarter immediately preceding the proposed Restricted Payment.

"Debt to Operating Cash Flow Ratio" means the ratio of (i) the Consolidated Total Indebtedness as of the date of calculation (the "Determination Date") to (ii) four times the Operating Cash Flow for the latest three months for which financial information is available immediately preceding such Determination Date (the "Measurement Period"). For purposes of calculating Operating Cash Flow for the Measurement Period immediately prior to the relevant Determination Date, (I) any Person that is a Restricted Subsidiary on the Determination Date (or would become a Restricted Subsidiary on such Determination Date in connection with the transaction that requires the determination of such Operating Cash Flow) will be deemed to have been a Restricted Subsidiary at all times during such Measurement Period; (II) any Person that is not a Restricted Subsidiary on such Determination Date (or would cease to be a Restricted Subsidiary on such Determination Date in connection with the transaction that requires the determination of such Operating Cash Flow) will be deemed not have been a Restricted Subsidiary at any time during such Measurement Period; and (III) if Mediacom or any Restricted Subsidiary shall have in any manner (x) acquired (including through an Asset Acquisition or the commencement of activities constituting such operating business) or (y) disposed of (including by way of an Asset Sale or the termination or discontinuance of activities constituting such operating business) any operating business during such Measurement Period or after the end of such period and on or prior to such Determination Date, such calculation will be made on a pro forma basis in accordance with generally accepted accounting principles consistently applied, as if, in the case of an Asset Acquisition or the commencement of activities constituting such operating business, all such transactions had been consummated on the first day of such Measurement Period, and, in the case of an Asset Sale or termination or discontinuance of activities constituting such operating business, all such transactions had been consummated prior to the first day of such Measurement Period.

"Default" means any event which is, or after notice or passage of time or both would be, an Event of Default.

"Depositary" means The Depository Trust Company, its nominees and their respective successors and assigns, or such other depository institution hereinafter appointed by Mediacom.

"Designation" shall have the meaning ascribed thereto in Section 1018.

"Disqualified Equity Interest" means (i) any Equity Interest issued by Mediacom which, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable at the option of the holder thereof), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof (except, in each such case, upon the occurrence of a Change of Control or a Regulatory Equity Interest Repurchase), in whole or in part, or is exchangeable into Indebtedness, on or prior to the earlier of the maturity date of the Notes or the date on which no Notes remain outstanding; and (ii) any Equity Interest issued by any Restricted Subsidiary which, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable at the option of the holder thereof), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof, in whole or in part, or is exchangeable into Indebtedness.

"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, including any Preferred Equity Interests.

"Equity Offering" means a public or private offering by Mediacom or a Restricted Subsidiary for cash of its respective Equity Interests (other than Disqualified Equity Interests) or options, warrants or rights with respect to such Equity Interests.

"Excess Proceeds" means, with respect to any Asset Sale, the then Available Asset Sale Proceeds less any such Available Asset Sale Proceeds that are required to be applied and are applied in accordance with clause (iii)(b)(1) of clause (a) of Section 1013.

"Excess Proceeds Offer" shall have the meaning ascribed thereto in Section 1013.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Exchange Offer" means the offer by the Issuers to exchange all of the Initial Notes for a like aggregate principal amount of Exchange Notes, as provided in the Registration Rights Agreement, and the offer by the Issuers to exchange all of the Additional Notes for a like aggregate principal amount of Exchange Notes, in each case as provided in this Indenture.

"Exchange Offer Registration Statement" has the meaning ascribed thereto in the Registration Rights Agreement.

"Executive Committee" means (i) so long as Mediacom is a limited liability company, (x) while the Operating Agreement is in effect, the Executive Committee authorized thereunder, and (y) at any other time, the manager or board of managers of Mediacom, or management committee or similar governing body responsible for the management of the business and affairs of Mediacom; (ii) if Mediacom were to be reorganized as a corporation, the board of directors of Mediacom; and (iii) if Mediacom were to be reorganized as a partnership, the board of directors of the corporate general partner of such partnership (or if such general partner is itself a partnership, the board of directors of such general partner's corporate general partner).

"Future Subsidiary Credit Facilities" means one or more debt facilities (other than the Subsidiary Credit Facilities) entered into from time to time after the date of this Indenture by one or more Restricted Subsidiaries or groups of Restricted Subsidiaries with banks or other institutional lenders, together with all loan documents and instruments thereunder (including, without limitation, any guarantee agreements and security documents), including any amendment (including any amendment and restatement), modification or supplement thereto or any refinancing, refunding, deferral, renewal, extension or replacement thereof (including, in any such case and without limitation, adding or removing Subsidiaries of Mediacom as borrowers or guarantors thereunder), whether by the same or any other lender or group of lenders.

"GAAP" or "generally accepted accounting principles" means generally accepted accounting principles in the United States of America as in effect as of the date of this Indenture, including those set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as approved by a significant segment of the accounting profession. All ratios and computations based on GAAP contained in this Indenture shall be computed in conformity with GAAP.

"Guarantor" means any Subsidiary of Mediacom that guarantees the Issuers' obligations under this Indenture and the Notes issued after the date of this Indenture pursuant to Section 1017.

"Hedging Agreement" means any interest rate swap agreement, interest rate cap agreement, interest rate collar agreement or other similar agreement providing for the transfer or mitigation of interest rate risks either generally or under specific contingencies.

"Holder" or "Noteholder" means the Person in whose name a Note is registered in the Note Register.

"Incur" means, with respect to any Indebtedness or other obligation of any Person, to create, issue, incur (including by conversion, exchange or otherwise), assume, guarantee or otherwise become liable in respect of such Indebtedness or other obligation or the recording, as required pursuant to generally accepted accounting principles or otherwise, of any such Indebtedness or other obligation on the balance sheet of such Person (and "Incurrence", "Incurred" and "Incurring" shall have meanings correlative to the foregoing). Indebtedness of any Person or any of its Subsidiaries existing at the time such Person becomes a Restricted Subsidiary (or is merged into or consolidates with Mediacom or any Restricted Subsidiary), whether or not such Indebtedness was incurred in connection with, or in contemplation of, such Person becoming a Restricted Subsidiary (or being merged into or consolidated with Mediacom or any Restricted Subsidiary), shall be deemed Incurred at the time any such Person becomes a Restricted Subsidiary or merges into or consolidates with Mediacom or any Restricted Subsidiary.

"Indebtedness" means, with respect to any Person, without duplication, any indebtedness, secured or unsecured, contingent or otherwise, in respect of borrowed money (whether or not the recourse of the lender is to the whole of the assets of such Person or only to a portion thereof), or evidenced by bonds, notes, debentures or similar instruments or letters of credit or representing the deferred and unpaid balance of the purchase price of property or services (but excluding trade payables incurred in the ordinary course of business and non-interest bearing installment obligations and other accrued liabilities arising in the ordinary course of business) if and to the extent any of the foregoing indebtedness would appear as a liability upon a balance sheet of such Person prepared in accordance with generally accepted accounting principles, and shall also include, to the extent not otherwise included (but without duplication), (i) any Capitalized Lease Obligations, (ii) obligations secured by a lien to which any property or assets owned or held by such Person is subject, whether or not the obligation or obligations secured thereby shall have been assumed, (iii) guarantees of items of other Persons which would be included within this definition for such other Persons (whether or not such items would appear upon the balance sheet of the guarantor), and (iv) obligations of Mediacom or any Restricted Subsidiary under any Hedging Agreement applicable to any of the foregoing (if and only to the extent any amount due in respect of such Hedging Agreement would appear as a liability upon a balance sheet of such Person prepared in accordance with generally accepted accounting principles). Indebtedness (i) shall not include obligations under performance bonds, performance guarantees, surety bonds and appeal bonds, letters of credit or similar obligations, Incurred in the ordinary course of business, including in connection with pole rental or conduit attachments and the like or the requirements of cable television franchising authorities, and otherwise consistent with industry practice; (ii) shall not include obligations of any Person (x) arising from the honoring by a bank or other financial institution of a check, draft or other similar instrument inadvertently drawn against insufficient funds in the ordinary course of business, provided such obligations are extinguished within five business days of their Incurrence, (y) resulting from the endorsement of negotiable instruments for collection in the ordinary course of business and consistent with past practice and (z) under stand-by letters of credit to the extent collateralized by cash or Cash Equivalents; and (iii) which provides that an amount less than the principal amount thereof shall be due upon any declaration of acceleration thereof shall be deemed to be Incurred or outstanding in an amount equal to the accreted value thereof at the date of determination.

"Indenture" means this Indenture, as amended or supplemented from time to time.

"Investment" means, directly or indirectly, any advance, loan or other extension of credit (including by means of a guarantee) or capital contribution to (by means of transfers of property to others, payments for property or services for the account or use of others or otherwise), the acquisition, by purchase or otherwise, of any stock, bonds, notes, debentures, partnership, membership or joint venture interests or other securities or other evidence of beneficial interest of any Person, provided that the term "Investment" shall not include any such advance, loan or extension of credit having a term not exceeding 90 days arising in the ordinary course of business or any pledge of Equity Interests pursuant to the Subsidiary Credit Facilities or any Future Subsidiary Credit Facilities. If Mediacom or any Restricted Subsidiary sells or otherwise disposes of any Voting Equity Interest of any direct or indirect Restricted Subsidiary such that, after giving effect to such sale or disposition, Mediacom no longer owns, directly or indirectly, greater than 50% of the outstanding Voting Equity Interests of such Restricted Subsidiary, Mediacom shall be deemed to have made an Investment on the date of any such sale or disposition equal to the fair market value of the Voting Equity Interests of such former Restricted Subsidiary not sold or disposed of.

"Issue Date" means the date on which the Initial Notes are originally issued.

"Issuers' Request" shall have the meaning ascribed thereto in Section 102.

"Lien" means any mortgage, pledge, lien, charge, security interest, hypothecation, assignment for security or encumbrance of any kind (including any conditional sale or capital lease or other title retention agreement, any lease in the nature thereof or any agreement to give a security interest).

"Liquidated Damages" means the "liquidated damages" specified in Section three of the Registration Rights Agreement or in such other registration rights agreement to be executed in connection with the issuance of Additional Notes.

"Mediacom" means Mediacom LLC, a New York limited liability company.

"Mediacom Arizona" means Mediacom Arizona LLC, a Delaware limited liability company, and a wholly owned Subsidiary of Mediacom.

"Mediacom California" means Mediacom California LLC, a Delaware limited liability company, and a Subsidiary of Mediacom.

"Mediacom Capital" means Mediacom Capital Corporation, a New York corporation, and a wholly owned Subsidiary of Mediacom.

"Mediacom Delaware" means Mediacom Delaware LLC, a Delaware limited liability company, and a wholly owned Subsidiary of Mediacom.

"Mediacom Management" means Mediacom Management Corporation, a Delaware corporation.

"Moody's" means Moody's Investors Service, Inc.

"Net Cash Proceeds" means, with respect to any issuance or sale of Equity Interests, the proceeds in the form of cash or Cash Equivalents received by Mediacom or any Restricted Subsidiary of such issuance or sale net of attorneys' fees, accountants fees, underwriters' or placement agents' fees, discounts or commissions and brokerage, consultant and other fees actually incurred in connection with such issuance or sale and net of taxes paid or payable as a result thereof.

"Non-Recourse Indebtedness" means Indebtedness of a Person (i) as to which neither of the Issuers nor any of the Restricted Subsidiaries (other than such Person or any Subsidiaries of such Person) (a) provides any guarantee or credit support of any kind (including any undertaking, guarantee, indemnity, agreement or instrument that would constitute Indebtedness) or (b) is directly or indirectly liable (as a guarantor or otherwise); and (ii) the incurrence of which will not result in any recourse against any of the assets of either of the Issuers or the Restricted Subsidiaries (other than to such Person or to any Subsidiaries of such Person and other than to the Equity Interests in such Person or in another Restricted Subsidiary or an Unrestricted Subsidiary pledged by Mediacom, a Restricted Subsidiary or an Unrestricted Subsidiary); provided, however, that Mediacom or any Restricted Subsidiary may make a loan to a Controlled Subsidiary or an Unrestricted Subsidiary, or guarantee a loan made to a Controlled Subsidiary or an Unrestricted Subsidiary, if such loan or guarantee is permitted under Section 1007 at the time of the making of such loan or guarantee, and such loan or guarantee shall not constitute Indebtedness which is not Non-Recourse Indebtedness.

"Note Register" shall have the meaning ascribed thereto in Section 305.

"Note Registrar" shall have the meaning ascribed thereto in Section 305.

"Officer" means the Chairman, the Chief Executive Officer, any Senior Vice President, the Treasurer or the Secretary of Mediacom.

"Officers' Certificate" means a certificate signed by two Officers.

"Operating Agreement" means the Third Amended and Restated Operating Agreement of Mediacom dated as of January 20, 1998, as the same may be amended, supplemented or modified from time to time.

"Operating Cash Flow" means, with respect to Mediacom and the Restricted Subsidiaries on a consolidated basis, for any period, an amount equal to Consolidated Net Income for such period increased (without duplication) by the sum of (i) Consolidated Income Tax Expense accrued for such period to the extent deducted in determining Consolidated Net Income for such period; (ii) Consolidated Interest Expense for such period to the extent deducted in determining Consolidated Net Income for such period; and (iii) depreciation, amortization and any other non-cash items for such period to the extent deducted in determining Consolidated Net Income for such period (other than any non-cash item (other than the management fees referred to in clause (viii) of the definition of "Consolidated Net Income") which requires the accrual of, or a reserve for, cash charges for any future period) of Mediacom and the Restricted Subsidiaries, including, without limitation, amortization of capitalized debt issuance costs for such period, all of the foregoing determined on a consolidated basis in accordance with generally accepted accounting principles consistently applied, and decreased by non-cash items to the extent they increase Consolidated Net Income (including the partial or entire reversal of reserves taken in prior periods) for such period.

"Opinion of Counsel" means a written opinion from legal counsel who is acceptable to the Trustee. The counsel may be an employee of or counsel to Mediacom or the Trustee.

"Other Pari Passu Debt" means Indebtedness of Mediacom or any Restricted Subsidiary that does not constitute Subordinated Obligations, is not senior in right of payment to the Notes and has a stated final maturity which is the same as the stated final maturity of the Notes.

"Other Pari Passu Debt Pro Rata Share" means the amount of the applicable Available Asset Sale Proceeds obtained by multiplying the amount of such Available Asset Sale Proceeds by a fraction, (i) the numerator of which is the aggregate principal amount and/or accreted value, as the case may be, of all Other Pari Passu Debt outstanding at the time of the applicable Asset Sale with respect to which Mediacom or any Restricted Subsidiary is required to use Available Asset Sale Proceeds to repay or make an offer to purchase or repay and (ii) the denominator of which is the sum of (a) the aggregate principal amount of all Notes outstanding at the time of the applicable Asset Sale and (b) the aggregate principal amount and/or accreted value, as the case may be, of all Other Pari Passu Debt outstanding at the time of the applicable Asset Sale Offer with respect to which Mediacom or any Restricted Subsidiary is required to use the applicable Available Asset Sale Proceeds to offer to repay or make an offer to purchase or repay.

"Other Permitted Liens" means (i) Liens imposed by law, such as carriers', warehousemen's and mechanics' liens and other similar liens arising in the ordinary course of business which secure payment of obligations that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted and for which an appropriate reserve or provision shall have been made in accordance with generally accepted accounting principles consistently applied; (ii) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted and for which an appropriate reserve or provision shall have been made in accordance with generally accepted accounting principles consistently applied; (iii) easements, rights of way, and other restrictions on use of property or minor imperfections of title that in the aggregate are not material in amount and do not in any case materially detract from the property subject thereto or interfere with the ordinary conduct of the business of Mediacom or its Subsidiaries; (iv) Liens related to Capitalized Lease Obligations, mortgage financings or purchase money obligations (including refinancings thereof), in each case Incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property, plant or equipment used in the business of Mediacom or any Restricted Subsidiary or a Related Business, provided that any such Lien encumbers only the asset or assets so financed, purchased, constructed or improved; (v) Liens resulting from the pledge by Mediacom of Equity Interests in a Restricted Subsidiary in connection with a Subsidiary Credit Facility or a Future Subsidiary Credit Facility or in an Unrestricted Subsidiary in any circumstance, in each such case where recourse to Mediacom is limited to the value of the Equity Interests so pledged; (vi) Liens resulting from the pledge by Mediacom of intercompany indebtedness owed to Mediacom in connection with a Subsidiary Credit Facility or a Future Subsidiary Credit Facility; (vii) Liens incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security; (viii) Liens to secure the performance of statutory obligations, surety or appeal bonds, performance bonds, deposits to secure the performance of bids, trade contracts, government contracts, leases or licenses or other obligations of a like nature incurred in the ordinary course of business (including without limitation, landlord Liens on leased properties); (ix) leases or subleases granted to third Persons not interfering with the ordinary course of business of Mediacom; (x) deposits made in the ordinary course of business to secure liability to insurance carriers; (xi) Liens securing reimbursement obligations with respect to letters of credit which encumber documents and other property relating to such letters of credit and the products and proceeds thereof; (xii) Liens on the assets of Mediacom to secure hedging agreements with respect to Indebtedness permitted by this Indenture to be Incurred; (xiii) attachment or judgment Liens not giving rise to a Default or an Event of Default; (xiv) any interest or title of a lessor under any capital lease or operating lease; and (xv) Liens resulting from the pledge of "Unfunded Capital Commitments" (as defined in the Operating Agreement) securing the repayment of Indebtedness in respect of reimbursement obligations for letters of credit given in connection with or in contemplation of the acquisition of a Related Business.

"Paying Agent" means an office or agency maintained by the Issuers within the City and State of New York where Notes may be presented for payment.

"Permitted Holder" means (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 of Mediacom, (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, (v) any trust for the benefit of any such trust, (vi) any of the holders of Equity Interests in Mediacom on the date of this Indenture, or (vii) any of the Affiliates of any Person described in clause (vi) above.

"Permitted Investments" means (i) Cash Equivalents; (ii) Investments in prepaid expenses, negotiable instruments held for collection and lease, utility and workers' compensation, performance and other similar deposits; (iii) the extension of credit to vendors, suppliers and customers in the ordinary course of business; (iv) Investments existing as of the date of this Indenture, and any amendment, modification, extension or renewal thereof to the extent such amendment, modification, extension or renewal does not require Mediacom or any Restricted Subsidiary to make any additional cash or non-cash payments or provide additional services in connection therewith; (v) Hedging Agreements; (vi) any Investment for which the sole consideration provided is Equity Interests (other than Disqualified Equity Interests) of Mediacom; (vii) any Investment consisting of a guarantee permitted under clause (e) of the second paragraph of Section 1008; (viii) Investments in Mediacom, in any Wholly Owned Restricted Subsidiary or in any Controlled Subsidiary or any Person that, as a result of or in connection with such Investment, becomes a Wholly Owned Restricted Subsidiary or a Controlled Subsidiary or is merged with or into or consolidated with Mediacom or a Wholly Owned Restricted Subsidiary or a Controlled Subsidiary; (ix) loans and advances to officers, directors and employees of Mediacom and the Restricted Subsidiaries for business-related travel expenses, moving expenses and other similar expenses in each case incurred in the ordinary course of business; (x) any acquisition of assets solely in exchange for the issuance of Equity Interests (other than Disqualified Equity Interests) of Mediacom; (xi) Related Business Investments; and (xii) other Investments made pursuant to this clause (xii) at any time, and from time to time, after the date of this Indenture, in addition to any Permitted Investments described in clauses (i) through (xi) above, in an aggregate amount at any one time outstanding not to exceed $10,000,000.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust, unincorporated organization, government or agency or political subdivision thereof or any other entity.

"Preferred Equity Interest" means, in any Person, an Equity Interest of any class or classes, however designated, which is preferred as to the payment of dividends or distributions, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over Equity Interests of any other class in such Person.

"Private Exchange" means the issuance by the Issuers of a like amount of Private Ecxhange Notes in exchange for Initial Notes or Additional Notes held by a Holder which holds Initial Notes or Additional Notes acquired by it that have, or that are reasonably likely to have, the status of an unsold allotment in an initial distribution, or which is not entitled to participate in the Exchange Offer, pursuant to the Registration Rights Agreement or similar agreement with respect to the Additional Notes.

"Private Exchange Notes" means the Issuers' 8 1/2% Senior Notes due 2008, if and when issued pursuant to a Private Exchange for Initial Notes or Additional Notes.

"Productive Assets" means assets of a kind used or useable by Mediacom and the Restricted Subsidiaries in any Related Business and specifically includes assets acquired through Asset Acquisitions (it being understood that "assets" may include Equity Interests of a Person that owns such Productive Assets, provided that after giving effect to such transaction, such Person would be a Restricted Subsidiary).

"QIB" shall have the meaning ascribed thereto under Rule 144A of the Securities Act.

"Redemption Date" shall have the meaning ascribed thereto in Section 1103.

"Registration Rights Agreement" means the Exchange and Registration Rights Agreement dated as of April 1, 1998 among Mediacom, Mediacom Capital and Chase Securities Inc.

"Regular Record Date" means, with respect to any Interest Payment Date, the April 1 or October 1 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date.

"Regulatory Equity Interest Repurchase" shall have the meaning ascribed thereto in Section 1007.

"Reinvestment Date" shall have the meaning ascribed thereto in Section 1013.

"Related Business" means a cable television, media and communications, telecommunications or data transmission business, and businesses ancillary, complementary or reasonably related thereto, and reasonable extensions thereof.

"Related Business Investment" means (i) any capital expenditure or Investment, in each case related to the business of Mediacom and its Restricted Subsidiaries as conducted on the date of this Indenture and as such business may thereafter evolve in the fields of Related Businesses, (ii) any Investment in any other Person primarily engaged in a Related Business and (iii) any customary deposits or earnest money payments made by Mediacom or any Restricted Subsidiary in connection with or in contemplation of the acquisition of a Related Business.

"Required Filing Dates" shall have the meaning ascribed thereto in Section 1014.

"Restricted Payment" means (i) any dividend (whether made in cash, property or securities) on or with respect to any Equity Interests of Mediacom or of any Restricted Subsidiary (other than with respect to Disqualified Equity Interests and other than any dividend made to Mediacom or another Restricted Subsidiary or any dividend payable in Equity Interests of Mediacom or any Restricted Subsidiary); or (ii) any distribution (whether made in cash, property or securities) on or with respect to any Equity Interests of Mediacom or of any Restricted Subsidiary (other than with respect to Disqualified Equity Interests and other than any distribution made to Mediacom or another Restricted Subsidiary or any distribution payable in Equity Interests of Mediacom or any Restricted Subsidiary); or (iii) any redemption, repurchase, retirement or other direct or indirect acquisition of any Equity Interests of Mediacom (other than Disqualified Equity Interests), or any warrants, rights or options to purchase or acquire any such Equity Interests or any securities exchangeable for or convertible into any such Equity Interests; or (iv) any redemption, repurchase, retirement or other direct or indirect acquisition for value or other payment of principal, prior to any scheduled final maturity, scheduled repayment or scheduled sinking fund payment, of any Subordinated Obligations; or (v) any Investment (other than a Permitted Investment).

"Restricted Period" means the 40-day restricted period as defined in Regulation S under the Securities Act.

"Restricted Subsidiary" means any Subsidiary of Mediacom that has not been designated by the Executive Committee of Mediacom by a Committee Resolution delivered to the Trustee as an Unrestricted Subsidiary pursuant to Section 1018. Any such designation may be revoked by a Committee Resolution delivered to the Trustee, subject to the provisions of such covenant.

"Restricted Subsidiary Guarantee" shall have the meaning ascribed thereto in Section 1017.

"Revocation" shall have the meaning ascribed thereto in Section 1018.

"S&P" means Standard & Poor's Ratings Group.

"SEC" means the Securities and Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended.

"Shelf Registration Statement" has the meaning ascribed thereto in the Registration Rights Agreement.

"Significant Subsidiary" means any Restricted Subsidiary which at the time of determination had (A) total assets which, as of the date of Mediacom's most recent quarterly consolidated balance sheet, constituted at least 10% of Mediacom's total assets on a consolidated basis as of such date, or (B) revenues for the three-month period ending on the date of Mediacom's most recent quarterly consolidated statement of income which constituted at least 10% of Mediacom's total revenues on a consolidated basis for such period, or (C) Subsidiary Operating Cash Flow for the three-month period ending on the date of Mediacom's most recent quarterly consolidated statement of income which constituted at least 10% of Mediacom's total Operating Cash Flow on a consolidated basis for such period.

"Southeast Credit Facility" means the $225,000,000 senior credit facility dated as of January 23, 1998 among Mediacom Southeast, the lenders party thereto and The Chase Manhattan Bank, as administrative agent, as amended and restated through the date of this Indenture.

"Specified Action" shall have the meaning ascribed thereto in Section 1010.

"Specified Affilate Transaction" shall have the meaning ascribed thereto in Section 1009.

"Stated Maturity" means, with respect to any security, the date specified in such security as the fixed date on which the payment of principal of such security is due and payable, including pursuant to any mandatory redemption provision.

"Subordinated Obligations" means, with respect to either of the Issuers, any Indebtedness of either of the Issuers which is expressly subordinated in right of payment to the Notes.

"Subsidiary" means a Person the majority of whose voting stock, membership interests or other Voting Equity Interests is or are owned by Mediacom or a Subsidiary. Voting stock in a corporation is Equity Interests having voting power under ordinary circumstances to elect directors.

"Subsidiary Credit Facilities" means the Southeast Credit Facility and the Western Credit Facility, together with all loan documents and instruments thereunder (including, without limitation, any guarantee agreements and security documents), including any amendment (including any amendment and restatement), modification or supplement thereto or any refinancing, refunding, deferral, renewal, extension or replacement thereof (including, in any such case and without limitation, adding or removing Subsidiaries of Mediacom as borrowers or guarantors thereunder), whether by the same or any other lender or group of lenders, pursuant to which (i) an aggregate amount of Indebtedness up to $325,000,000 may be Incurred pursuant to clause (c)(i) of the second paragraph of Section 1008 and (ii) any additional amount of Indebtedness in excess of $325,000,000 may be Incurred pursuant to the first paragraph or pursuant to clause (c)(ii) or any other applicable clause (other than clause (c)(i)) of the second paragraph of Section 1008.

"Subsidiary Operating Cash Flow" means, with respect to any Subsidiary for any period, the "Operating Cash Flow" of such Subsidiary and its Subsidiaries for such period determined by utilizing all of the elements of the definition of "Operating Cash Flow" in this Indenture, including the defined terms used in such definition, consistently applied only to such Subsidiary and its Subsidiaries on a consolidated basis for such period.

"Successor Company" shall have the meaning ascribed thereto in Section 801.

"TIA" means the Trust Indenture Act of 1939 (15 U.S.C. (S)(S) 77aaa-77bbbb) as in effect on the date of this Indenture.

"Trust Officer" means an officer of the Trustee assigned by the Trustee to administer its corporate trust matters or to any other officer of the Trustee to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"Trustee" means the party named as such in this Indenture until a successor replaces it and, thereafter, means the successor.

"Unrestricted Subsidiary" means any Subsidiary of Mediacom designated as such pursuant to the provisions of Section 1018, and any Subsidiary of an Unrestricted Subsidiary. Any such designation may be revoked by a Committee Resolution delivered to the Trustee, subject to the provisions of such covenant.

"U.S. Government Obligations" means direct obligations (or certificates representing an ownership interest in such obligations) of the United States of America (including any agency or instrumentality thereof) for the payment of which the full faith and credit of the United States of America is pledged and which are not callable or redeemable at the issuer's option.

"Voting Equity Interests" means Equity Interests in any Person with voting power under ordinary circumstances entitling the holders thereof to elect the Executive Committee, the board of managers, board of directors or other governing body of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing (i) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required scheduled payment of principal, including payment of final maturity, in respect thereof by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment, by (ii) the then outstanding aggregate principal amount of such Indebtedness.

"Western Credit Facility" means the $100,000,000 senior credit facility dated as of June 24, 1997 among Mediacom California, Mediacom Arizona and Mediacom Delaware, the lenders party thereto, and The Chase Manhattan Bank, as administrative agent, as amended and restated through the date of this Indenture.

"Wholly Owned Restricted Subsidiary" means a Restricted Subsidiary 99% or more of the outstanding Equity Interests of which (other than Equity Interests constituting directors' qualifying shares to the extent mandated by applicable law) are owned by Mediacom or by one or more Wholly Owned Restricted Subsidiaries or by Mediacom and one or more Wholly Owned Restricted Subsidiaries.

SECTION 102. Compliance Certificates and Opinions.

Upon any application or request by the Issuers (an "Issuers' Request") to the Trustee to take any action under any provision of this Indenture, the Issuers and any other obligor on the Notes shall furnish to the Trustee an Officers' Certificate in form and substance reasonably acceptable to the Trustee stating that all conditions precedent, if any, provided for in this Indenture (including any covenant compliance with which constitutes a condition precedent) relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of such documents is specifically required by any provision of this Indenture relating to such particular application or request, no additional certificate or opinion need be furnished.

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (including certificates provided pursuant to Section 1016(a)) shall include:

(1) a statement that each individual signing such certificate or opinion has read such covenant or condition and the definitions herein relating thereto;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of each such individual or such firm, he or it has made such examination or investigation as is necessary to enable him or it to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(4) a statement as to whether, in the opinion of each such individual, such condition or covenant has been complied with.

SECTION 103. Form of Documents Delivered to Trustee.

In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an officer of the Issuers or any other obligor on the Notes may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Issuers or any other obligor on the Notes stating that the information with respect to such factual matters is in the possession of the Issuers or any other obligor on the Notes unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

SECTION 104. Acts of Holders.

(i) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by agents duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, where it is hereby expressly required, to the Issuers. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Holders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and conclusive in favor of the Trustee and the Issuers, if made in the manner provided in this Section 104.

(ii) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by a certificate of a notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by a signer acting in a capacity other than his individual capacity, such certificate or affidavit shall also constitute sufficient proof of authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner that the Trustee deems sufficient.

(iii) The principal amount and serial numbers of Notes held by any Person, and the date of holding the same, shall be proved by the Note Register.

(iv) If the Issuers shall solicit from the Holders any request, demand, authorization, direction, notice, consent, waiver or other Act, the Issuers may, at their option, by or pursuant to a Committee Resolution, fix in advance a record date for the determination of Holders entitled to give such request, demand, authorization, direction, notice, consent, waiver or other Act, but the Issuers shall have no obligation to do so. Notwithstanding TIA (S) 316(c), such record date shall be the record date specified in or pursuant to such Committee Resolution, which shall be a date not earlier than the date 30 days prior to the first solicitation of Holders generally in connection therewith and not later than the date such solicitation is completed. If such a record date is fixed, such request, demand, authorization, direction, notice, consent, waiver or other Act may be given before or after such record date, but only the Holders of record at the close of business on such record date shall be deemed to be Holders for the purposes of determining whether Holders of the requisite proportion of outstanding Notes have authorized or agreed or consented to such request, demand, authorization, direction, notice, consent, waiver or other Act, and for that purpose the outstanding Notes shall be computed as of such record date; provided that no such authorization, agreement or consent by the Holders on such record date shall be deemed effective unless it shall become effective pursuant to the provisions of this Indenture not later than six months after the record date.

(v) Any request, demand, authorization, direction, notice, consent, waiver or other Act of the Holder of any Note shall bind every future Holder of the same Note and the Holder of every Note issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof (including in accordance with Section 310) in respect of anything done, omitted or suffered to be done by the Trustee, any Paying Agent or the Issuers in reliance thereon, whether or not notation of such action is made upon such Note.

SECTION 105. Notices, Etc., to Trustee and the Issuers.

Any request, demand, authorization, direction, notice, consent, waiver or Act of Holders or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with,

(1) the Trustee by any Holder or by the Issuers or any other obligor on the Notes shall be sufficient for every purpose hereunder if made, given, furnished or delivered in writing and mailed, first-class postage prepaid, or delivered by recognized overnight courier, to or with the Trustee and received at its Corporate Trust Office, Attention: Corporate Trust Administration.

(2) The Issuers by the Trustee or by any Holder shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if made, given, furnished or delivered, in writing, or mailed, first-class postage prepaid, or delivered by recognized overnight courier, to the Issuers addressed to it and received at the address of its principal office specified in the first paragraph of this Indenture, or at any other address previously furnished in writing to the Trustee by the Issuers.

SECTION 106. Notice to Holders; Waiver.

Where this Indenture provides for notice of any event to Holders by the Issuers or the Trustee, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each Holder, at his address as it appears in the Note Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice. Neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder shall affect the sufficiency of such notice with respect to other Holders. Any notice mailed to a Holder in the manner herein prescribed shall be conclusively deemed to have been received by such Holder, whether or not such Holder actually receives such notice. Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

In case by reason of the suspension of or irregularities in regular mail service or by reason of any other cause, it shall be impracticable to mail notice of any event to Holders when such notice is required to be given pursuant to any provision of this Indenture, then any manner of giving such notice as shall be satisfactory to the Trustee shall be deemed to be a sufficient giving of such notice for every purpose hereunder.

If the Issuers mail any notice or communication to any Holder, they shall mail a copy to the Trustee at the same time.

SECTION 107. Effect of Headings and Table of Contents.

The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 108. Successors and Assigns.

All covenants and agreements in this Indenture by the Issuers shall bind each of their successors and assigns, whether so expressed or not.

SECTION 109. Separability Clause.

In case any provision in this Indenture or in the Notes shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 110. Benefits of Indenture.

Nothing in this Indenture or in the Notes, express or implied, shall give to any Person, (other than the parties hereto, any agent and their successors hereunder and each of the Holders) any benefit or any legal or equitable right, remedy or claim under this Indenture.

SECTION 111. Governing Law.

THIS INDENTURE AND THE NOTES SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK EXCLUDING (TO THE GREATEST EXTENT PERMISSIBLE BY LAW) ANY RULE OF LAW THAT WOULD CAUSE THE APPLICATION OF THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF NEW YORK. UPON THE ISSUANCE OF THE EXCHANGE NOTES OR THE EFFECTIVENESS OF THE SHELF REGISTRATION STATEMENT, THIS INDENTURE SHALL BE SUBJECT TO THE PROVISIONS OF THE TRUST INDENTURE ACT THAT ARE REQUIRED TO BE PART OF THIS INDENTURE AND SHALL, TO THE EXTENT APPLICABLE, BE GOVERNED BY SUCH PROVISIONS. EACH OF THE PARTIES HERETO AGREES TO SUBMIT TO THE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK AND THE U.S. FEDERAL COURTS, IN EACH CASE SITTING IN THE BOROUGH OF MANHATTAN, AND WAIVES ANY OBJECTION AS TO VENUE OR FORUM NON CONVENIENS.

SECTION 112. Legal Holidays.

In any case where any interest payment date, any date established for payment of Defaulted Interest pursuant to Section 311 or redemption date or Stated Maturity of any Note shall not be a Business Day, then (notwithstanding any other provision of this Indenture or of the Notes) payment of principal (or premium, if any) or interest need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on the interest payment date or date established for payment of Defaulted Interest pursuant to Section 311, Redemption Date, or at the Stated Maturity or maturity; provided that no interest shall accrue for the period from and after such interest payment date, redemption date or date established for payment of Defaulted Interest pursuant to Section 311, Stated Maturity or maturity, as the case may be, to the next succeeding Business Day.

SECTION 113. No Personal Liability of Directors, Officers, Employees, Stockholders or Incorporators.

No manager, director, officer, employee, member, shareholder, partner or incorporator of either Issuer or any Subsidiary, as such, shall have any liability for any obligations of the Issuers under the Notes, this Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. Such waiver and release are part of the consideration for the issuance of the Notes.

SECTION 114. Counterparts.

This Indenture may be signed in any number of counterparts each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Indenture.

SECTION 115. Communications by Holders with Other Holders.

Holders may communicate pursuant to TIA (S) 312(b) with other Holders with respect to their rights under this Indenture or the Notes. The Issuers, the Trustee, the Note Registrar and anyone else shall have the protection of TIA (S) 312(c).

ARTICLE TWO.
NOTE FORMS

SECTION 201. Forms Generally.

The Notes and the Trustee's certificate of authentication shall be in substantially the forms set forth in this Article, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this

Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with applicable laws or the rules of any securities exchange or Depositary or as may, consistently herewith, be determined by the officers executing such Notes, as evidenced by their execution of the Notes. Any portion of the text of any Note may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Note. Each Note shall be dated the date of its authentication.

Initial Notes offered and sold to qualified institutional buyers (as defined in Rule 144A under the Securities Act) in the United States of America ("Rule 144A Note") shall be issued on the Issue Date, and Additional Notes offered and sold to qualified institutional buyers in the United States of America shall be issued, in the form of a permanent global Note, without interest coupons, substantially in the form set forth in Sections 203 and 204 (the "Rule 144A Global Note") deposited with the Trustee, as custodian for the Depositary, duly executed by the Issuers and authenticated by the Trustee as hereinafter provided. The Rule 144A Global Note may be represented by more than one certificate, if so required by the Depositary's rules regarding the maximum principal amount to be represented by a single certificate. The aggregate principal amount of the Rule 144A Global Note may from time to time be increased or decreased by adjustments made on the records of the Trustee, as custodian for the Depositary or its nominee, as hereinafter provided.

Initial Notes offered and sold in offshore transactions to Non-U.S. Persons ("Regulation S Note") in reliance on Regulation S shall be issued on the Issue Date, and Additional Notes offered and sold in offshore transactions to Non-U.S. Persons in reliance on Regulation S shall be issued, in the form of a temporary global Note, without interest coupons, substantially in the form set forth in Sections 203 and 204 (the "Regulation S Global Note"). Beneficial interests in a Regulation S Temporary Global Note will be exchangeable for beneficial interests in a corresponding single permanent global note (the "Regulation S Permanent Global Note," and together with the Regulation S Temporary Global Note, the "Regulation S Global Notes") on or after the expiration of the Restricted Period (the "Release Date") upon the receipt by the Trustee or its agent of a certificate certifying that the Holders of the beneficial interests in the Regulation S Temporary Global Note are non-U.S. Persons within the meaning of Regulation S (a "Regulation S Certificate"), substantially in the form set forth in Section 205. Upon receipt by the Trustee or Paying Agent of a Regulation S Certificate, (i) with respect to the first such Regulation S Certificate, the Issuers shall execute and upon receipt of an Authentication Order for authentication, the Authenticating Agent shall authenticate and deliver to the custodian, the applicable Regulation S Permanent Global Note and (ii) with respect to the first and all subsequent Regulation S Certificates, the custodian shall exchange on behalf of the applicable beneficial owners the portion of the applicable Regulation S Temporary Global Note covered by such Regulation S Certificates for a comparable portion of the applicable Regulation S Permanent Global Note. Upon any exchange of a portion of a Regulation S Temporary Global Note for a comparable portion of a Regulation S Permanent Global Note, the custodian shall endorse on the schedules affixed to each of such Regulation S Global Note (or on continuations of such schedules affixed to each of such Regulation S Global Note and made parts thereof) appropriate notations evidencing the date of transfer and (x) with respect to the applicable Regulation S Temporary Global Note, a decrease in the principal amount thereof equal to the amount covered by the applicable certification and (y) with respect to the applicable Regulation S Permanent Global Note, an increase in the principal amount thereof equal to the principal amount of the decrease in the applicable Regulation S Temporary Global Note pursuant to clause (x) above. The Regulation S Global Note will be deposited with the Trustee, as custodian for the Depositary, duly executed by the Issuers and authenticated by the Trustee as hereinafter provided. The Regulation S Global Note may be represented by more than one certificate, if so required by the Depositary's rules regarding the maximum principal amount to be represented by a single certificate. The aggregate principal amount of the Regulation S Global Note may from time to time be increased or decreased by adjustments made on the records of the Trustee, as custodian for the Depositary or its nominee, as hereinafter provided.

Initial Notes offered and sold to institutional "accredited investors" (as defined in Rule 501(a)(1), (2), (3) and (7) under the Securities Act) in the United States of America ("Institutional Accredited Investor Note") shall be issued, and Additional Notes offered and sold to institutional accredited investors in the United States of America shall be issued, in the form of a permanent global Note substantially in the form set forth in Sections 203 and 204 (a "Institutional Accredited Investor Global Note") deposited with the Trustee, as custodian for the Depositary, duly executed by the Issuers and authenticated by the Trustee as hereinafter provided. The Institutional Accredited Investor Global Note may be represented by more than one certificate, if so required by the Depositary's rules regarding the maximum principal amount to be represented by a single certificate. The aggregate principal amount of the Institutional Accredited Investor Global Note may from time to time be increased or decreased by adjustments made on the records of the Trustee, as custodian for the Depositary or its nominee, as hereinafter provided.

The Rule 144A Global Note, the Regulation S Global Note and the Institutional Accredited Investor Global Note are sometimes collectively herein referred to as the "Global Notes."

The definitive Notes shall be printed, lithographed or engraved on steel-engraved borders or may be produced in any other manner, all as determined by the officers of the Issuers executing such Notes, as evidenced by their execution of such Notes.

SECTION 202. Restrictive Legends.

Unless and until (i) an Initial Note or Additional Note is sold under an effective Registration Statement or (ii) an Initial Note or Additional Note is exchanged for an Exchange Notes in connection with an effective Registration Statement, in each case pursuant to the Registration Rights Agreement, such Rule 144A Global Note and the Institutional Accredited Investor Global Note shall bear the following legend (the "Private Placement Legend") on the face thereof:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, REGISTRATION.

THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") WHICH IS TWO YEARS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE ISSUERS OR ANY AFFILIATE OF THE ISSUERS WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY), ONLY (A) TO THE ISSUERS, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, (E) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF SECTION 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT IS ACQUIRING THE SECURITY FOR ITS OWN ACCOUNT, OR FOR THE ACCOUNT OF SUCH AN INSTITUTIONAL ACCREDITED INVESTOR, IN EACH CASE IN A MINIMUM PRINCIPAL AMOUNT OF $250,000 OF SUCH SECURITIES, FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TO OR FOR OFFER OR SALE IN CONNECTION WITH ANY DISTRIBUTION IN VIOLATION OF THE SECURITIES ACT, OR (F) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE ISSUERS' AND THE TRUSTEE'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (D), (E) OR (F) ABOVE TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, AND IN THE CASE OF ANY OF THE FOREGOING CLAUSES (A) THROUGH (F), A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS SECURITY IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE ISSUERS AND THE TRUSTEE. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE.

The Regulation S Global Note shall bear the following legend on the face thereof:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (1) REPRESENTS THAT IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION, (2) BY ITS ACCEPTANCE HEREOF AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") WHICH IS TWO YEARS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE ISSUERS OR ANY AFFILIATE OF THE ISSUERS WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY), ONLY (A) TO THE ISSUERS, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, (E) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF SECTION 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT IS ACQUIRING THE SECURITY FOR ITS OWN ACCOUNT, OR FOR THE ACCOUNT OF SUCH AN INSTITUTIONAL "ACCREDITED INVESTOR", IN EACH CASE IN A MINIMUM PRINCIPAL AMOUNT OF $250,000 OF SUCH SECURITIES, FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TO OR FOR OFFER OR SALE IN CONNECTION WITH ANY DISTRIBUTION IN VIOLATION OF THE SECURITIES ACT, OR (F) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE ISSUERS' AND THE TRUSTEE'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (D), (E) OR (F) ABOVE TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, AND IN THE CASE ANY OF THE FOREGOING CLAUSES (A) THROUGH (F), A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS SECURITY IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE ISSUERS AND THE TRUSTEE. THIS LEGEND WILL BE REMOVED AFTER 40 CONSECUTIVE DAYS BEGINNING ON AND INCLUDING THE LATER OF (A) THE DAY ON WHICH THE SECURITIES ARE OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN REGULATION S) AND (B) THE DATE OF THE CLOSING OF THE ORIGINAL OFFERING. AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTION", "UNITED STATES" AND "U.S. PERSON" HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT.

The Global Notes, whether or not an Initial Note or Additional Note, shall also bear the following legend on the face thereof:

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUERS OR THEIR AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL IN AS MUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF CEDE & CO. OR TO A SUCCESSOR THEREOF

OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN SECTIONS 306 AND 307 OF THE INDENTURE.

The Regulation S Temporary Global Note shall also bear the following legend on the face thereof:

THIS GLOBAL NOTE IS A TEMPORARY GLOBAL NOTE FOR PURPOSES OF REGULATION S UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"). NEITHER THIS TEMPORARY GLOBAL NOTE NOR ANY INTEREST HEREIN MAY BE OFFERED, SOLD OR DELIVERED, EXCEPT AS PERMITTED UNDER THE INDENTURE REFERRED TO BELOW.

NO BENEFICIAL OWNERS OF THIS TEMPORARY GLOBAL NOTE SHALL BE ENTITLED TO RECEIVE PAYMENT OF PRINCIPAL OR INTEREST HEREON UNLESS THE REQUIRED CERTIFICATIONS HAVE BEEN DELIVERED PURSUANT TO THE TERMS OF THE INDENTURE.

SECTION 203. <u>Form of Note.</u>

8 1/2 % Senior Notes due 2008

No. ___ Principal Amount at Maturity $_________

CUSIP NO.__________

Mediacom LLC, a New York limited liability company, and Mediacom Capital Corporation, a New York corporation, as joint and several obligors promise to pay to ______________, or registered assigns, the principal sum of ____________ Dollars on April 15, 2008.

Interest Payment Dates: April 15 and October 15

Record Dates: April 1 and October 1

This Note shall bear interest from April 1, 1998 through April 15, 2008.

Additional provisions of this Note are set forth on the other side of this Note.

IN WITNESS WHEREOF, the Issuers have caused this Note to be signed manually or by facsimile by its authorized Officers.

Dated: ________, ____

MEDIACOM LLC

By:

Name:
Title:

By:

Name:
Title:

MEDIACOM CAPITAL CORPORATION

By:

Name:
Title:

By:

Name:
Title:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Notes referred to in the within-mentioned Indenture.

BANK OF MONTREAL TRUST COMPANY,
as Trustee

By:

Authorized Signature

[FORM OF REVERSE SIDE OF SENIOR NOTE]

8 1/2 % Senior Notes due 2008

1. Interest

Mediacom LLC, a New York limited liability company, and Mediacom Capital Corporation, a New York corporation (such entities, and their successors and assigns under the Indenture hereinafter referred to, being herein called the "Issuers"), jointly and severally promise to pay interest on the principal amount of this Note as described below.

Interest on the Senior Notes due 2008 (the "Notes") will accrue at a rate of 8 1/2 % per annum, payable semiannually, to Holders of record on each April 1 or October 1 immediately preceding the interest payment date on April 15 and October 15 of each year, commencing October 15, 1998. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

2. Method of Payment

By at least 10:00 a.m. (New York City time) on the date on which any principal of or interest on the Notes is due and payable, the Issuers shall irrevocably deposit with the Trustee or the Paying Agent money sufficient to pay such principal, premium, if any, and/or interest. The Issuers will pay interest (except defaulted interest) to the Persons who are registered Holders of Notes at the close of business on the April 1 or October 1 next preceding the interest payment date even if the Notes are cancelled, repurchased or redeemed after the record date and on or before the interest payment date. Holders must surrender Notes to a Paying Agent to collect principal payments. The Issuers will pay principal and interest in money of the United States that at the time of payment is legal tender for payment of public and private debts. However, the Issuers may pay interest by check payable in such money. The Issuers may mail an interest check to a Holder's registered address; provided that all payments with respect to global Notes and certificated Notes the Holders of which have given written wire transfer instructions to the Trustee by no later than five business days prior to the relevant payment date shall be required to be made by wire transfer of immediately available funds to the accounts specified by the Holders thereof.

3. Trustee, Paying Agent and Registrar

Initially, Bank of Montreal Trust Company, a New York trust company ("Trustee"), will act as Trustee, Paying Agent and Note Registrar. The Issuers may appoint and change any Paying Agent, Note Registrar or co-registrar without notice to any Noteholder.

4. Indenture

The Issuers issued the Notes under an Indenture dated as of April 1, 1998 (as it may be amended or supplemented from time to time in accordance with the terms thereof, the "Indenture"), among the Issuers and the Trustee. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (15 U.S.C. (S)(S) 77aaa-77bbbb) (the "Act"). Capitalized terms used herein and not defined herein have the meanings ascribed thereto in the Indenture. The Notes are subject to all such terms, and Noteholders are referred to the Indenture and the Act for a statement of those terms.

The Notes are unsecured senior obligations of the Issuers limited to $200,000,000 aggregate principal amount at maturity, except for Notes authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Notes pursuant to Section 304, 305, 306, 307, 310, 906, 1012, 1013 or 1108 or pursuant to an Exchange Offer or Private Exchange Offer, and, subject to compliance with the covenants contained in this Indenture, including Section 1008 as a new Incurrence of Indebtedness by the Issuers, up to $150,000,000 aggregate principal amount of Additional Notes having substantially identical terms and conditions as the Initial Notes. This Note is one of the [Initial]/1/ Notes referred to in the Indenture. The Notes include the Notes and any Exchange Notes or Private Exchange Notes issued in exchange for the Initial Notes or Additional Notes pursuant to the Indenture. The Initial Notes, the Additional Notes, the Exchange Notes and the Private Exchange Notes are treated as a single class of securities under the Indenture. The Indenture imposes certain limitations on the Incurrence of Indebtedness by the Issuers, and the Issuers' Restricted Subsidiaries, the payment of dividends on, and the purchase or redemption of Equity Interests of Mediacom and its Restricted Subsidiaries, the sale or transfer of assets, investments of Mediacom and its Restricted Subsidiaries and transactions with Affiliates. In addition, the Indenture limits the ability of Mediacom and its Restricted Subsidiaries to restrict distributions and dividends from Restricted Subsidiaries.

5. Optional Redemption

Except as set forth below, the Notes are not redeemable prior to April 15, 2003. Thereafter, the Notes will be redeemable, in whole or in part, from time to time at the option of the Issuers, on not less than 30 and not more than 60 days' notice prior to the redemption date by first class mail to each holder of Notes to be redeemed at such holder's address appearing in the Note Register maintained by the Note Registrar at the following redemption prices (expressed as percentages of principal amount) if redeemed during the twelve-month period beginning with April 15 in the year indicated below, in each case together with accrued and unpaid interest and Liquidated Damages, if any, thereon to the date of redemption:

Period	Redemption Price
2003....................................	104.250%
2004....................................	102.833%
2005....................................	101.417%
2006 and thereafter......................	100.000%

In addition, at any time and from time to time, on or prior to April 15, 2001, the Issuers may redeem up to 35% of the original principal amount of Notes (calculated to give effect to any issuance of Additional Notes) with the Net Cash Proceeds of one or more Equity Offerings of Mediacom, at a redemption price in cash equal to 108.5% of the principal to be redeemed plus accrued and unpaid interest and Liquidated Damages, if any, to the date of redemption; provided that at least 65% of the original principal amount of the Notes (as so calculated) remains outstanding after each such redemption. Any such redemption will be required to occur within 90 days following the closing of any such Equity Offering.

6. Selection

If fewer than all the Notes are to be redeemed, the Trustee will select the Notes to be redeemed, if the Notes are listed on a national securities exchange, in accordance with the rules of such exchange or, if the Notes are not so listed, on a pro rata basis or by lot or by such other method that the Trustee deems to be fair and equitable to holders. If any Note is to be redeemed in part only, the notice of redemption that relates to such Note shall state the portion of the principal amount thereof to be redeemed and a new Note or Notes in principal amount equal to the unredeemed principal portion thereof will be issued; provided, that no Notes of a principal amount of $1,000 or less shall be redeemed in part. On and after the redemption date, interest will cease to accrue on Notes or portions thereof called for redemption as long as the Issuers have deposited with the Paying Agent for the Notes funds in satisfaction of the applicable redemption price pursuant to the Indenture.

7. Change of Control

Upon the occurrence of a Change Control, each holder of Notes shall have the right to require the Issuers to repurchase all or any part of such Holder's Notes pursuant to a Change of Control Offer at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest and Liquidated Damages, if any, to the date of purchase (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

- ----------
/1/ Include only for the Initial Notes or Additional Notes.

8. Denominations; Transfer; Exchange

The Notes are in registered form without coupons in denominations of principal amount of $1,000 and whole multiples of $1,000. A Holder may transfer or exchange Notes in accordance with the Indenture. The Note Registrar may require a Holder, among other things, to furnish appropriate endorsements or transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Note Registrar need not register the transfer of or exchange of (i) any Note selected for redemption (except, in the case of a Note to be redeemed in part, the portion of the Note not to be redeemed) for a period beginning 15 days before a selection of Notes to be redeemed and ending on the date of such selection or (ii) any Notes for a period beginning 15 days before an interest payment date and ending on such interest payment date.

9. Persons Deemed Owners

The registered holder of this Note may be treated as the owner of it for all purposes.

10. Unclaimed Money

If money for the payment of principal or interest remains unclaimed for two years, the Trustee or Paying Agent shall pay the money back to the Issuers at their request unless an abandoned property law designates another Person. After any such payment, Holders entitled to the money must look only to the Issuers and not to the Trustee for payment.

11. Defeasance

Subject to certain conditions set forth in the Indenture, the Issuers at any time may terminate some or all of their obligations under the Notes and the Indenture if the Issuers deposit with the Trustee money or U.S. Government Obligations for the payment of principal and interest on the Notes to redemption or maturity, as the case may be. The Issuers in their sole discretion can defease the Notes.

12. Amendment, Waiver

Subject to certain exceptions set forth in the Indenture, (i) the Indenture, the Notes or the Restricted Subsidiary Guarantees may be amended with the written consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes and (ii) any default or noncompliance with any provision may be waived with the consent of the Holders of a majority in principal amount of the outstanding Notes. Without the consent of any Noteholder, the Issuers and the Trustee may amend the Indenture or the Notes to cure any ambiguity, omission, defect or inconsistency, or to comply with Article 8 of the Indenture, or to provide for uncertificated Notes in addition to or in place of certificated Notes or to add guarantees with respect to the Notes or to secure the Notes, or to add additional covenants or surrender rights and powers conferred on the Issuers, or to comply with any request of the SEC in connection with qualifying the Indenture under the Act, or to make any change that does not adversely affect the rights of any Noteholder.

13. Defaults and Remedies

Under the Indenture, Events of Default include (i) a default in the payment of principal of or premium, if any, on the Notes when due at their Stated Maturity, upon optional redemption, upon required repurchase, upon declaration or otherwise, (ii) a default in any payment of interest or Liquidated Damages, if any, on the Notes when due, continued for 30 days, (iii) the failure by either of the Issuers or the Guarantors to comply for 60 days after written notice by holders of not less than 25% in principal amount of the Notes then outstanding with any other covenant, representation, warranty or other agreement contained in the Indenture or the Notes, (iv) default in the payment at maturity (continued for the longer of any applicable grace period or 30 days) of any Indebtedness aggregating $15,000,000 or more of the Issuers or any Significant Subsidiary or any group of Restricted Subsidiaries of Mediacom which, if merged into each other, would constitute a Significant Subsidiary, or the acceleration of any such Indebtedness which default shall not be cured or waived, or such acceleration shall not be rescinded or annulled, within 30 days after written notice by the holders of not less than 25% in principal amount of the Notes then outstanding or (v) any final judgment or judgments for the payment of money in excess of $15,000,000 (net of amounts covered by insurance) is rendered against the Issuers or a Significant Subsidiary or any group of Restricted Subsidiaries of Mediacom, which, if merged into each other, would constitute a Significant Subsidiary, and such judgment or judgments remain undischarged for any period of 60 consecutive days, during which a stay of enforcement of such judgment shall not be in effect. Certain events of bankruptcy or insolvency are Events of Default which will result in the Notes being due and payable immediately upon the occurrence of such Events of Default. The failure by any Restricted Subsidiary Guarantee to be in full force and effect (except as contemplated by the terms thereof) or any Guarantor to deny or disaffirm its obligations under the Indenture or any Restricted Subsidiary Guarantee shall also be an Event of Default.

If an Event of Default occurs and is continuing (other than an Event of Default resulting from certain events of bankruptcy, insolvency or reorganization), the Trustee or the Holders of not less than 25% in principal amount of the outstanding Notes may declare the principal of and accrued and unpaid interest, if any, on all the Notes to be due and payable immediately. Upon such a declaration, such principal and accrued and unpaid interest shall be due and payable immediately. Under certain circumstances, the holders of a majority in principal amount of the outstanding Notes may rescind any such acceleration with respect to the Notes and its consequences.

Noteholders may not enforce the Indenture or the Notes except as provided in the Indenture. The Trustee may refuse to enforce the Indenture or the Notes unless it receives reasonable indemnity or security. Subject to certain limitations, Holders of a majority in principal amount of the Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Noteholders notice of any continuing Default or Event of Default (except a Default or Event of Default in payment of principal interest) if it determines that withholding notice is in their interest.

14. Trustee Dealings with the Issuers

Subject to certain limitations set forth in the Indenture, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Issuers or their affiliates and may otherwise deal with the Issuers or their affiliates with the same rights it would have if it were not Trustee.

15. No Recourse Against Others

A manager, director, officer, employee, member, shareholder, partner or incorporator of either Issuer or any Subsidiary, as such, shall not have any liability for any obligations of the Issuers under the Notes or the Indenture or for any claim based on, in respect of or by reason of, such obligations or their creation. By accepting a Note, each Noteholder waives and releases all such liability.

16. Authentication

This Note shall not be valid until an authorized signatory of the Trustee (or an authenticating agent acting on its behalf) manually signs the certificate of authentication on the other side of this Note.

[17. Registration Rights

The Holder of this Initial Note is entitled to the benefits of the Exchange and Registration Rights Agreement, dated as of April 1, 1998 (the "Registration Rights Agreement"), among the Issuers and the initial purchaser named therein.]/2/

18. Abbreviations

Customary abbreviations may be used in the name of a Noteholder or an assignee, such as TEN COM (=tenants in common), TEN ENT (=tenants by the entirety), JT TEN (=joint tenants with rights of survivorship and not as tenants in common), CUST (=custodian) and U/G/M/A (=Uniform Gift to Minors Act).

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/2/ Include only for the Initial Notes.

19. CUSIP Numbers

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Issuers have caused CUSIP numbers to be printed on the Notes and have directed the Trustee to use CUSIP numbers in notices of redemption as a convenience to Noteholders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

20. Governing Law

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK EXCLUDING (TO THE GREATEST EXTENT PERMISSIBLE BY LAW) ANY RULE OF LAW THAT WOULD CAUSE THE APPLICATION OF THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF NEW YORK.

21. Restricted Subsidiary Guarantees.

This Note may after the date hereof be entitled to certain Restricted Subsidiary Guarantees made for the benefit of the Holders. Reference is hereby made to the Indenture for the terms of any Restricted Subsidiary Guarantee.

Mediacom will furnish to any Noteholder upon written request and without charge to the Noteholder a copy of the Indenture. Requests may be made to:

Mediacom LLC
100 Crystal Run Road
Middletown, New York 10941
Attention: Rocco B. Commisso

ASSIGNMENT FORM

To assign this Note, fill in the form below:

I or we assign and transfer this Note to

(Print or type assignee's name, address and zip code)

(Insert assignee's soc. sec. or tax I.D. No.)

and irrevocably appoint agent to transfer this Note on the books of the Issuers. The agent may substitute another to act for him.

==

Date: ______________________ Your Signature: ________________________________

Signature Guarantee: ____

(Signature must be guaranteed)

==

Sign exactly as your name appears on the other side of this Note.

The signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in the Securities Transfer Agents Medallion Program ("STAMP") or such other signature guarantee medallion program as may be approved by the Note Registrar in addition to or substitution for, STAMP), pursuant to SEC Rule 17Ad-15.

[In connection with any transfer or exchange of any of the Notes evidenced by this certificate occurring prior to the date that is two years after the later of the date of original issuance of such Notes and the last date, if any, on which such Notes were owned by the Issuers or any Affiliate of the Issuers, the undersigned confirms that such Notes are being:

CHECK ONE BOX BELOW:

1? acquired for the undersigned's own account, without transfer; or

2? transferred to the Issuers; or

3? transferred pursuant to and in compliance with Rule 144A under the Securities Act of 1933; or

4? transferred pursuant to an effective registration statement under the Securities Act; or

5? transferred pursuant to and in compliance with Regulation S under the Securities Act of 1933; or

6? transferred to an institutional "accredited investor" (as defined in Rule 501 (a)(1), (2), (3) or (7) under the Securities Act of 1933), that has furnished to the Trustee a signed letter containing certain representations and agreements (the form of which letter appears as Section 308 of the Indenture); or

7? transferred pursuant to another available exemption from the registration requirements of the Securities Act of 1933.

Unless one of the boxes is checked, the Trustee may refuse to register any of the Notes evidenced by this certificate in the name of any person other than the registered holder thereof; provided, however, that if box (5), (6) or (7) is checked, the Trustee or the Issuers may require, prior to registering any such transfer of the Notes, in their sole discretion, such legal opinions, certifications and other information as the Trustee or the Issuers may reasonably request to confirm that such transfer is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act of 1933, such as the exemption provided by Rule 144 under such Act.

____
Signature

Signature Guarantee:

____

(Signature must be guaranteed)

____

Signature

The signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions) with membership in the Securities Transfer Agents Medallion Program ("STAMP") or such other signature guarantee medallion program as may be approved by the Note Registrar in addition to or substitution for STAMP, pursuant to SEC Rule 17Ad-15.]/3/

- ----------
/3/ Include only for the Initial Notes, Additional Notes and Private Exchange Notes.

[TO BE ATTACHED TO GLOBAL NOTES]

SCHEDULE OF INCREASES OR DECREASES IN GLOBAL NOTE

The following increases or decreases in this Global Note have been made:

Date of Exchange	Amount of decrease in Principal Amount of this Global Note	Amount of increase in Principal Amount of this Global Note	Principal Amount of this Global Note following such decrease or increase	Signature of authorized signatory of Trustee or Notes custodian

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note purchased by the Issuers pursuant to Section 1012 or 1013 of the Indenture, check the box:

?

If you want to elect to have only part of this Note purchased by the Issuers pursuant to Section 1012 or 1013 of the Indenture, state the amount in principal amount (must be integral multiple of $1,000): $_______________.

Date: _____________ Your Signature ____
(Sign exactly as your name appears on the other side of the Note)

Signature Guarantee: _______________________________________
(Signature must be guaranteed)

The signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions) with membership in the Securities Transfer Agents Medallion Program ("STAMP") or such other signature guarantee medallion program as may be approved by the Note Registrar in addition to or substitution for STAMP, pursuant to SEC Rule 17Ad-15.

[THE FOLLOWING PROVISION TO BE INCLUDED

ON ALL 144A CERTIFICATES]

In connection with any transfer of this Note occurring prior to the date that is the earlier of the date of an effective Exchange Offer Registration Statement (as defined in the Exchange and Registration Rights Agreement dated as of April 1, 1998) or April 1, 2000, the undersigned confirms that without utilizing any general solicitation or general advertising that:

[Check One]

[ ] (a) this Note is being transferred in compliance with the exemption from registration under the Securities Act of 1933, as amended, provided by Rule 144A thereunder.

or

[   ] (b) this Note is being transferred other than in accordance with (a) above and documents are being furnished that comply with the conditions of transfer set forth in this Note and the Indenture.

If neither of the foregoing boxes is checked, the Trustee or other Note Registrar shall not be obligated to register this Note in the name of any Person other than the Holder hereof unless and until the conditions to any such transfer of registration set forth herein and in Section 307 of the Indenture shall have been satisfied.

Date: ___________________

____

NOTICE: The signature must correspond with the name as written upon the face of the within-mentioned instrument in every particular, without alteration or any change whatsoever.

Signature Guarantee: _______________________________

TO BE COMPLETED BY PURCHASER IF (a) ABOVE IS CHECKED.

The undersigned represents and warrants that it is purchasing this Note for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act of 1933, as amended, and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Issuers as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon the undersigned's foregoing representations in order to claim the exemption from registration provided by Rule 144A.

Date: ___________________   ____

NOTICE: To be executed by an executive officer.

SECTION 204. Form of Trustee's Certificate of Authentication.

The Trustee's certificate of authentication shall be in substantially the following form:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION.

This is one of the Notes referred to in the within-mentioned Indenture.

Bank of Montreal Trust Company, as Trustee

By ________________________
Authorized Signature

SECTION 205. Form of Regulation S Certificate.

[date-on or after Release Date]

Bank of Montreal Trust Company, as Trustee
88 Pine Street, 19th Floor
New York, New York 10005
Attention: Corporate Trust Administration

Re: Mediacom LLC ("Mediacom") and Mediacom Capital Corporation ("Mediacom Capital" and, together with Mediacom, the "Issuers") 8 1/2 % Senior Notes due 2008 (the "Notes") [CINS No. ___] [ISIN No. ___]________

Ladies and Gentlemen:

Reference is hereby made to the Indenture, dated as of April 1, 1998 (the "Indenture"), between the Issuers and Bank of Montreal Trust Company. Capitalized terms used herein and not otherwise defined have the meanings set forth in the Indenture.

[For purposes of acquiring a beneficial interest in the Regulation S Permanent Global Security upon the expiration of the Restricted Period,][For purposes of receiving payments under the Regulation S Temporary Global Security], the undersigned holder of a beneficial interest in the Regulation S Temporary Global Security issued under the Indenture certifies that it is not a U.S. person as defined by Regulation S under the Securities Act of 1933, as amended.

We understand that this certificate is required in connection with certain securities laws of the United States. In connection therewith, if administrative or legal proceedings are commenced or threatened in connection with which this certificate is or would be relevant, we irrevocably authorize you to produce this certificate to any interested party in such proceeding.

Very truly yours,

[Name of Holder]

By:___________________________
Authorized Signatory

ARTICLE THREE.
THE NOTES

SECTION 301. Title and Terms.

The aggregate principal amount of Notes which may be authenticated and delivered under this Indenture is limited to $200,000,000 aggregate principal amount at maturity of Initial Notes, except for Notes authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Notes pursuant to Section 304, 305, 306, 307, 310, 906, 1012, 1013 or 1108, pursuant to an Exchange Offer or pursuant to a Private Exchange Offer, and, subject to compliance with the covenants contained in this Indenture, including Section 1008 as a new Incurrence of Indebtedness by the Issuers, up to $150,000,000 aggregate principal amount of additional Notes (the "Additional Notes") having substantially identical terms and conditions to the Initial Notes. Any Additional Notes shall constitute part of the same issue as the Initial Notes offered on the date of this Indenture.

The Initial Notes and the Additional Notes shall be known and designated as the "8 1/2% Senior Notes due 2008," and the Exchange Notes shall be known and designated as the "8 1/2% Senior Notes due 2008," in each case, of the Issuers. The Notes will initially be issued in an aggregate principal amount of $200,000,000 with a Stated Maturity of April 15, 2008. Interest on the Notes will accrue at a rate per annum of 8 1/2% and will be payable semiannually in cash and in arrears to the Holders of record on each April 1 or October 1 immediately preceding the interest payment date on April 15 and October 15 of each year, commencing October 15, 1998. Interest on the Notes will accrue from the most recent interest payment date to which interest has been paid or, if no interest has been paid, from April 1, 1998. All references to the principal amount of the Notes herein are references to the principal amount at final maturity. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months, until the principal thereof is paid or duly provided for Interest on any overdue principal, interest (to the extent lawful) or premium, if any, shall be payable on demand.

The principal of (and premium, if any) and interest on the Notes shall be payable at the office or agency of the Issuers maintained for such purpose in the Borough of Manhattan, The City of New York, or at such other office or agency of the Issuers as may be maintained for such purpose; provided, however, that, at the option of the Issuers, interest may be paid by check mailed to addresses of the Persons entitled thereto as such addresses shall appear on the Note Register.

Holders shall have the right to require the Issuers to purchase their Notes, in whole or in part, in the event of a Change of Control pursuant to Section 1012.

The Notes shall be subject to repurchase by the Issuers pursuant to an Excess Proceeds Offer as provided in Section 1013.

The Notes shall be redeemable as provided in Article Eleven and in the Notes.

SECTION 302. Denominations.

The Notes shall be issuable only in fully registered form, without coupons, and only in denominations of $1,000 and any integral multiple thereof.

SECTION 303. Execution, Authentication, Delivery and Dating.

The Notes shall be executed by each of the Issuers by two Officers. The signature of any Officer on the Notes may be manual or facsimile signatures of the present or any future such authorized officer and may be imprinted or otherwise reproduced on the Notes.

Notes bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Issuers shall bind the Issuers, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Notes or did not hold such offices at the date of such Notes.

At any time and from time to time after the execution and delivery of this Indenture, the Issuers may deliver Initial Notes or Additional Notes executed by the Issuers to the Trustee for authentication, together with an order for the authentication and delivery of such Notes (the "Authentication Order"), and the Trustee in accordance with such Authentication Order shall authenticate and deliver such Initial Notes or Additional Notes directing the Trustee to authenticate the Notes and certifying that all conditions precedent to the issuance of Notes contained herein have been fully complied with, and the Trustee in accordance with such Authentication Order shall authenticate and deliver such Initial Notes or Additional Notes. Upon receipt of the Authentication Order, the Trustee shall authenticate for original issue Exchange Notes and Private Exchange Notes; provided that such Exchange Notes and Private Exchange Notes shall be issuable only upon the valid surrender for cancellation of Initial Notes or Additional Notes of a like aggregate principal amount. The Trustee shall be entitled to receive an Officers' Certificate and an Opinion of Counsel of the Issuers that it may reasonably request in connection with such authentication of Notes. Such order shall specify the amount of Notes to be authenticated and the date on which the original issue of Initial Notes, Additional Notes, Exchange Notes or Private Exchange Notes is to be authenticated.

Each Note shall be dated the date of its authentication.

No Note shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Note a certificate of authentication substantially in the form provided for herein duly executed by the Trustee by manual signature of an authorized signatory, and such certificate upon any Note shall be conclusive evidence, and the only evidence, that such Note has been duly authenticated and delivered hereunder and is entitled to the benefits of this Indenture.

In case either of the Issuers, pursuant to Article Eight, shall be consolidated or merged with or into any other Person or shall convey, transfer, lease or otherwise dispose of substantially all of its assets to any Person, and the successor Person resulting from such consolidation, or surviving such merger, or into which such Issuer shall have been merged, or the Person which shall have received a conveyance, transfer, lease or other disposition as aforesaid, shall have executed an indenture supplemental hereto with the Trustee pursuant to Article Eight, any of the Notes authenticated or delivered prior to such consolidation, merger, conveyance, transfer, lease or other disposition may, from time to time, at the request of the successor Person, be exchanged for other Notes executed in the name of the successor Person with such changes in phraseology and form as may be appropriate, but otherwise in substance of like tenor as the Notes surrendered for such exchange and of like principal amount; and the Trustee, upon the Issuers' Request of the successor Person, shall authenticate and deliver Notes as specified in such request for the purpose of such exchange. If Notes shall at any time be authenticated and delivered in any new name of a successor Person pursuant to this Section 303 in exchange or substitution for or upon registration of transfer of any Notes, such successor Person, at the option of the Holders but without expense to them, shall provide for the exchange of all Notes at the time outstanding for Notes authenticated and delivered in such new name.

The Trustee may appoint an authenticating agent acceptable to the Issuers to authenticate Notes on behalf of the Trustee. Unless limited by the terms of such appointment, an authenticating agent may authenticate Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as any Note Registrar or Paying Agent to deal with the Issuers and their Affiliates hereunder.

SECTION 304. Temporary Notes.

Pending the preparation of definitive Notes, the Issuers may execute, and upon Authentication Order the Trustee shall authenticate and deliver, temporary Notes which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination. Temporary Notes shall be substantially of the tenor of the definitive Notes in lieu of which they are issued and with such appropriate insertions, omissions, substitutions and other variations as the officers executing such Notes may determine, as conclusively evidenced by their execution of such Notes.

If temporary Notes are issued, the Issuers will cause definitive Notes to be prepared without unreasonable delay. After the preparation of definitive Notes, the temporary Notes shall be exchangeable for definitive Notes upon surrender of the temporary Notes at the office or agency of the Issuers designated for such purpose pursuant to Section 1002, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Notes, the Issuers shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of definitive Notes of authorized denominations. Until so exchanged, the temporary Notes shall in all respects be entitled to the same benefits under this Indenture as definitive Notes.

SECTION 305. Registration, Registration of Transfer and Exchange.

The Issuers shall cause to be kept at the Corporate Trust Office of the Trustee a register (the register maintained in such office and in any other office or agency designated pursuant to Section 1002 being herein sometimes referred to as the "Note Register") in which, subject to such reasonable regulations as it may prescribe, the Issuers shall provide for the registration of Notes and of transfers of Notes. The Note Register shall be in written form or any other form capable of being converted into written form within a reasonable time. At all reasonable times, the Note Register shall be open to inspection by the Trustee. The Trustee is hereby initially appointed as security registrar (the Trustee in such capacity, together with any successor of the Trustee in such capacity, the "Note Registrar") for the purpose of registering Notes and transfers of Notes as herein provided.

Upon surrender for registration of transfer of any Note at the office or agency of the Issuers designated pursuant to Section 1002, the Issuers shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Notes of any authorized denomination or denominations of a like aggregate principal amount.

Furthermore, any Holder of a Global Note shall, by acceptance of such Global Note, agree that transfers of beneficial interest in such Global Note may be effected only through a book-entry system maintained by the Holder of such Global Note (or its agent), and that ownership of a beneficial interest in the Note shall be required to be reflected in a book entry.

At the option of the Holder, Notes may be exchanged for other Notes of any authorized denomination (not less than $1,000) and of a like aggregate principal amount, upon surrender of the Notes to be exchanged at such office or agency. Whenever any Notes are so surrendered for exchange (including an exchange of Initial Notes or Additional Notes for Exchange Notes or Private Exchange Notes), the Issuers shall execute, and the Trustee shall authenticate and deliver, the Notes which the Holder making the exchange is entitled to receive; provided that (i) no exchange of Initial Notes for Exchange Notes shall occur until an Exchange Offer Registration Statement shall have been declared effective by the SEC, the Trustee shall have received an Officers' Certificate confirming that the Exchange Offer Registration Statement has been declared effective by the SEC and the Initial Notes to be exchanged for the Exchange Notes shall be cancelled by the Trustee and (ii) no exchange of Additional Notes for Exchange Notes shall occur until a registration statement shall have been declared effective by the SEC, the Trustee shall have received an Officers' Certificate confirming that the registration statement has been declared effective by the SEC and the Additional Notes to be exchanged for the Exchange Notes shall be cancelled by the Trustee.

All Notes issued upon any registration of transfer or exchange of Notes shall be the valid obligations of the Issuers, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Notes surrendered upon such registration of transfer or exchange.

Every Note presented or surrendered for registration of transfer or for exchange shall (if so required by the Issuers or the Note Registrar) be duly endorsed, or be accompanied by a written instrument of transfer, in form satisfactory to the Issuers and the Note Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing.

No service charge shall be made for any registration of transfer or exchange or redemption of Notes, but the Issuers may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer or exchange of Notes, other than exchanges pursuant to Section 304, 906, 1012, or 1108, not involving any transfer.

The Note Register shall be in written form in the English language or in any other form including computerized records, capable of being converted into such form within a reasonable time.

SECTION 306. <u>Book-Entry Provisions for Global Notes.</u>

(a) Each Global Note initially shall (i) be registered in the name of the Depositary for such global Note or the nominee of such Depositary, (ii) be delivered to the Trustee as custodian for such Depositary and (iii) bear legends as set forth in Section 202.

Members of, or participants in, the Depositary ("Agent Members") shall have no rights under this Indenture with respect to any Global Note held on their behalf by the Depositary, or the Trustee as its custodian, or under the Global Note, and the Depositary may be treated by the Issuers, the Trustee and any agent of the Issuers or the Trustee as the absolute owner of such Global Note for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Issuers, the Trustee or any agent of the Issuers or the Trustee from giving effect to any written certification, proxy or other authorization furnished by the Depositary or shall impair, as between the Depositary and its Agent Members, the operation of customary practices governing the exercise of the rights of a Holder of any Note.

(b) Transfers of a Global Note shall be limited to transfers of such Global Note in whole, but not in part, to the Depositary, its successors or their respective nominees. Interests of beneficial owners in a Global Note may be transferred in accordance with the rules and procedures of the Depositary and the provisions of Section 307. If required to do so pursuant to any applicable law or regulation, beneficial owners may obtain Notes in definitive form ("Certificated Notes") in exchange for their beneficial interests in a Global Note upon written request in accordance with the Depositary's and the Note Registrar's procedures. In addition, Certificated Notes shall be transferred to all beneficial owners in exchange for their beneficial interests in a Global Note if (i) the Depositary notifies the Issuers that it is unwilling or unable to continue as Depositary for such Global Note or the Depositary ceases to be a clearing agency registered under the Exchange Act, at a time when the Depositary is required to be so registered in order to act as Depositary, and in each case a successor depositary is not appointed by the Issuers within 90 days of such notice or, (ii) the Issuers execute and deliver to the Trustee and Note Registrar an Officers' Certificate stating that such Global Note shall be so exchangeable or (iii) an Event of Default has occurred and is continuing and the Note Registrar has received a request from the Depositary.

(c) In connection with any transfer of a portion of the beneficial interest in a Global Note pursuant to subsection (b) of this Section to beneficial owners who are required to hold Certificated Notes, the Note Registrar shall reflect on its books and records the date and a decrease in the principal amount of such Global Note in an amount equal to the principal amount of the beneficial interest in the Global Note to be transferred, and the Issuers shall execute, and the Trustee shall authenticate and deliver, one or more Certificated Notes of like tenor and amount.

(d) In connection with the transfer of an entire Global Note to beneficial owners pursuant to subsection (b) of this Section, such Global Note shall be deemed to be surrendered to the Trustee for cancellation, and the

Issuers shall execute, and the Trustee shall authenticate and deliver, to each beneficial owner identified by the Depositary in exchange for its beneficial interest in such Global Note, an equal aggregate principal amount of Certificated Notes of authorized denominations.

(e) Any Certificated Note delivered in exchange for an interest in a Global Note pursuant to subsection (c) or subsection (d) of this Section shall, except as otherwise provided by paragraph (c) of Section 307, bear the applicable legend regarding transfer restrictions applicable to the Certificated Note set forth in Section 202.

(f) The registered holder of a Global Note may grant proxies and otherwise authorize any person, including Agent Members and persons that may hold interests through Agent Members, to take any action which a Holder is entitled to take under this Indenture or the Notes.

SECTION 307. Special Transfer Provisions.

(a) The following provisions shall apply with respect to any proposed transfer of a Rule 144A Note or an Institutional Accredited Investor Note prior to the expiration of the Resale Restriction Termination Date (as defined in Section 202):

(i) a transfer of a Rule 144A Note or an Institutional Accredited Investor Note or a beneficial interest therein to a QIB (as defined herein) shall be made upon the representation of the transferee that it is purchasing the Note for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Issuers as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon its foregoing representations in order to claim the exemption from registration provided by Rule 144A;

(ii) a transfer of a Rule 144A Note or an Institutional Accredited Investor Note or a beneficial interest therein to an institutional accredited investor shall be made upon receipt by the Trustee or its agent of a certificate substantially in the form set forth in Section 308 from the proposed transferee and, if requested by the Issuers or the Trustee, the delivery of an opinion of counsel, certification and/or other information satisfactory to each of them; and

(iii) a transfer of a Rule 144A Note or an Institutional Accredited Investor Note or a beneficial interest therein to a Non-U.S. Person shall be made upon receipt by the Trustee or its agent of a certificate substantially in the form set forth in Section 309 from the proposed transferee and, if requested by the Issuers or the Trustee, the delivery of an opinion of counsel, certification and/or other information satisfactory to each of them.

(b) The following provisions shall apply with respect to any proposed transfer of a Regulation S Note prior to the expiration of the Restricted Period:

(i) a transfer of a Regulation S Note or a beneficial interest therein to a QIB shall be made upon the representation of the transferee that it is purchasing the Note for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a "qualified institutional buyer", within the meaning of Rule 144A under the Securities Act and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Issuers as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon its foregoing representations in order to claim the exemption from registration provided by Rule 144A;

(ii) a transfer of a Regulation S Note or a beneficial interest therein to an institutional accredited investor shall be made upon receipt by the Trustee or its agent of a certificate substantially in the form set forth in Section 308 from the proposed transferee and, if requested by the Issuers or the Trustee, the delivery of an opinion of counsel, certification and/or other information satisfactory to each of them; and

(iii) a transfer of a Regulation S Note or a beneficial interest therein to a Non-U.S. Person shall be made upon, if requested by the Issuers or the Trustee, receipt by the Trustee or its agent of an opinion of counsel, certification and/or other information satisfactory to each of them.

Prior to or on the expiration of the Restricted Period, beneficial interests in a Regulation S Global Note may only be held through Morgan Guaranty Trust Company of New York, Brussels Office, as operator of the Euroclear System ("Euroclear") or Cedel Bank, societe anonyme ("Cedel") (as indirect participants in DTC) or another agent member of Euroclear and Cedel acting for and on behalf of them, unless exchanged for interests in the Rule 144A Global Note or the Institutional Accredited Investor Global Note in accordance with the certification requirements hereof. During the Restricted Period, interests in the Regulation S Global Note, if any, may be exchanged for interests in the Rule 144A Global Note, the Institutional Accredited Investor Global Note or for Certificated Notes only in accordance with the certification requirements described in Section 201.

After the expiration of the Restricted Period, interests in the Regulation S Note may be transferred without requiring certification set forth in Section 308 or any additional certification.

(c) Private Placement Legend. Upon the transfer, exchange or replacement of Notes not bearing the Private Placement Legend, the Note Registrar shall deliver Notes that do not bear the Private Placement Legend. Upon the transfer, exchange or replacement of Notes bearing the Private Placement Legend, the Note Registrar shall deliver only Notes that bear the Private Placement Legend unless there is delivered to the Note Registrar an Opinion of Counsel reasonably satisfactory to the Issuers and the Trustee to the effect that neither such legend nor the related restrictions on transfer are required in order to maintain compliance with the provisions of the Securities Act.

(d) General. By its acceptance of any Note bearing the Private Placement Legend, each Holder of such a Note acknowledges the restrictions on transfer of such Note set forth in this Indenture and in the Private Placement Legend and agrees that it will transfer such Note only as provided in this Indenture.

(e) The Issuers shall deliver to the Trustee an Officers' Certificate setting forth the dates on which the Restricted Period terminates.

The Note Registrar shall retain copies of all letters, notices and other written communications received pursuant to Section 306 or this Section 307. The Issuers shall have the right to inspect and make copies of all such letters, notices or other written communications at any reasonable time upon the giving of reasonable written notice to the Note Registrar.

(f) No Obligation of the Trustee. (i) The Trustee shall have no responsibility or obligation to any beneficial owner of a Global Note, a member of, or a participant in the Depository or other Person with respect to any ownership interest in the Notes, with respect to the accuracy of the records of the Depository or its nominee or of any participant or member thereof or with respect to the delivery to any participant, member, beneficial owner or other Person (other than the Depository) of any notice (including any notice of redemption) or the payment of any amount, under or with respect to such Notes. All notices and communications to be given to the Holders and all payments to be made to Holders under the Notes shall be given or made only to the registered Holders (which shall be the Depository or its nominee in the case of a Global Note). The rights of beneficial owners in any Global Note in global form shall be exercised only through the Depository subject to the applicable rules and procedures of the Depository. The Trustee may rely and shall be fully protected and indemnified pursuant to Section 607 in relying upon information furnished by the Depository with respect to any beneficial owners, its members and participants.

(ii) The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Note (including without limitation any transfers between or among Depository participants, members or beneficial owners in any Global Note) other than to require delivery of such certificates and other documentation of evidence as are expressly required by, and to do so if and when expressly required by, the terms of this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

SECTION 308. Form of Certificate to Be Delivered in Connection with Transfers to Institutional Accredited Investors.

[date]

MEDIACOM LLC
MEDICACOM CAPITAL CORPORATION
c/o Bank of Montreal Trust Company, as Trustee
88 Pine Street, 19th Floor
New York, New York 10005
Attention: Corporate Trust Administration

Ladies and Gentlemen:

This certificate is delivered to request a transfer of $_______ principal amount of the 8 1/2% Senior Notes due 2008 (the "Notes") of Mediacom LLC and Mediacom Capital Corporation (the "Issuers").

Upon transfer, the Notes would be registered in the name of the new beneficial owner as follows:

Name:
Address:
Taxpayer ID Number:

The undersigned represents and warrants to you that:

(1) We are an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act of 1933, as amended (the "Securities Act")), purchasing for our own account or for the account of an institutional "accredited investor" at least $250,000 principal amount of the Notes, and we are acquiring the Notes not with a view to, or for offer or sale in connection with, any distribution in violation of the Securities Act. We have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of our investment in the Notes and invest in or purchase securities similar to the Notes in the normal course of our business. We and any accounts for which we are acting are each able to bear the economic risk of our or its investment.

(2) We understand that the Notes have not been registered under the Securities Act and, unless so registered, may not be sold except as permitted in the following sentence. We agree on our own behalf and on behalf of any investor account for which we are purchasing Notes to offer, sell or otherwise transfer such Notes prior to the date which is two years after the later of the date of original issue and the last date on which the Issuers or any affiliate of the Issuers was the owner of such Notes (or any predecessor thereto) (the "Resale Restriction Termination Date") only (a) to the Issuers, (b) pursuant to a registration statement that has been declared effective under the Securities Act, (c) in a transaction complying with the requirements of Rule 144A under the Securities Act ("Rule 144A"), to a person we reasonably believe is a qualified institutional buyer under Rule 144A (a "QIB") that purchases for its own account or for the account of a QIB and to whom notice is given that the transfer is being made in reliance on Rule 144A, (d) pursuant to offers and sales that occur outside the United States within the meaning of Regulation S under the Securities Act, (e) to an institutional "accredited investor" within the meaning of Rule 501 (a)(1), (2), (3) or (7) under the Securities Act that is purchasing for its own account or for the account of such an institutional "accredited investor", in each case in a minimum principal amount of Notes of $250,000 or (f) pursuant to any other available exemption from the registration requirements of the Securities Act, subject in each of the foregoing cases to any requirement of law that the disposition of our property or the property of such investor account or accounts be at all times within our or their control and in compliance with any applicable state securities laws. The foregoing restrictions on resale will not apply subsequent to the Resale Restriction Termination Date. If any resale or other transfer of the Notes is proposed to be made pursuant to clause (e) above prior to the Resale Restriction Termination Date, the transferor shall deliver a letter from the transferee substantially in the form of this letter to the Issuers and the Trustee, which

shall provide, among other things, that the transferee is an institutional "accredited investor" within the meaning of Rule 501 (a)(1), (2), (3) or (7) under the Securities Act and that it is acquiring such Notes for investment purposes and not for distribution in violation of the Securities Act. Each purchaser acknowledges that the Issuers and the Trustee reserve the right prior to any offer, sale or other transfer prior to the Resale Termination Date of the Notes pursuant to clause (d), (e) or (f) above to require the delivery of an opinion of counsel, certifications and/or other information satisfactory to the Issuers and the Trustee.

TRANSFEREE:________________________

BY:________________________________

Upon transfer the Notes would be registered in the name of the new beneficial owner as follows:

NAME	ADDRESS	TAXPAYER ID NUMBER:

Very truly yours,

[Name of Transferor]

By:____________________ ________________________________
Name: Signature Medallion Guaranteed
Title:

SECTION 309. Form of Certificate to Be Delivered in Connection with Transfers Pursuant to Regulation S.

[date]

Bank of Montreal Trust Company, as Trustee
88 Pine Street, 19th Floor
New York, New York 10005
Attention: Corporate Trust Administration

Re: Mediacom LLC and Mediacom Capital Corporation (the "Issuers")
8 1/2% Senior Notes due 2008 (the "Notes")

Ladies and Gentlemen:

In connection with our proposed sale of $__________ aggregate principal amount of the Notes, we confirm that such sale has been effected pursuant to and in accordance with Regulation S under the United States Securities Act of 1933, as amended (the "Securities Act"), and, accordingly, we represent that:

(a) the offer of the Notes was not made to a person in the United States;

(b) either (i) at the time the buy order was originated, the transferee was outside the United States or we and any person acting on our behalf reasonably believed that the transferee was outside the United States or (ii) the transaction was executed in, on or through the facilities of a designated off-shore securities market and neither we nor any person acting on our behalf knows that the transaction has been pre-arranged with a buyer in the United States;

(c) no directed selling efforts have been made in the United States in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S, as applicable; and

(d) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act.

In addition, if the sale is made during a restricted period and the provisions of Rule 903(c)(3) or Rule 904(c)(1) of Regulation S are applicable thereto, we confirm that such sale has been made in accordance with the applicable provisions of Rule 903(c)(3) or Rule 904(c)(1), as the case may be.

You and the Issuers are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby. Terms used in this certificate have the meanings set forth in Regulation S.

Very truly yours,

[Name of Transferor]

By:____________________ __________________________________
Authorized Signature Signature Medallion Guaranteed

SECTION 310. Mutilated, Destroyed, Lost and Stolen Notes.

If (i) any mutilated Note is surrendered to the Trustee, or (ii) the Issuers and the Trustee receive evidence to their satisfaction of the destruction, loss or theft of any Note, and there is delivered to the Issuers and the Trustee such security or indemnity, in each case, as may be required by them to save each of them harmless, then, in the absence of notice to the Issuers or the Trustee that such Note has been acquired by a bona fide purchaser, the Issuers shall execute and upon Authentication Order the Trustee shall authenticate and deliver, in exchange for any such mutilated Note or in lieu of any such destroyed, lost or stolen Note, a new Note of like tenor and principal amount, bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Note has become or is about to become due and payable, the Issuers in their discretion may, instead of issuing a new Note, pay such Note.

Upon the issuance of any new Note under this Section, the Issuers may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) in connection therewith.

Every new Note issued pursuant to this Section in lieu of any mutilated, destroyed, lost or stolen Note shall constitute an original additional contractual obligation of the Issuers and any other obligor upon the Notes, whether or not the mutilated, destroyed, lost or stolen Note shall be at any time enforceable by anyone, and shall be entitled to all benefits of this Indenture equally and proportionately with any and all other Notes duly issued hereunder.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Notes.

SECTION 311. Payment of Interest; Interest Rights Preserved.

Interest on any Note which is payable, and is punctually paid or duly provided for, on any interest payment date shall be paid to the Person in whose name such Note (or one or more predecessor Notes) is registered at the close of business on the Regular Record Date for such interest at the office or agency of the Issuers maintained for such purpose pursuant to Section 1002; provided, however, that each installment of interest may at the Issuers' option be paid by (i) mailing a check for such interest, payable to or upon the written order of the Person entitled thereto pursuant to Section 312, to the address of such Person as it appears in the Note Register or (ii) wire transfer to an account located in the United States maintained by the payee.

Any interest on any Note which is payable, but is not paid when the same becomes due and payable and such nonpayment continues for a period of 30 days shall forthwith cease to be payable to the Holder on the Regular Record Date by virtue of having been such Holder, and such defaulted interest and (to the extent lawful) interest on such defaulted interest at the rate borne by the Notes (such defaulted interest and interest thereon herein collectively called "Defaulted Interest") shall be paid by the Issuers, at their election in each case, as provided in clause (a) or (b) below:

(a) The Issuers may elect to make payment of any Defaulted Interest to the Persons in whose names the Notes (or their respective predecessor Notes) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Issuers shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Note and the date (not less than 30 days after such notice) of the proposed payment (the "Special Interest Payment Date"), and at the same time the Issuers shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this clause provided. Thereupon the Trustee shall fix a record date (the "Special Record Date") for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10 days prior to the Special Interest Payment Date and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Issuers of such Special Record Date, and in the name and at the expense of the Issuers, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date and Special Interest Payment Date therefor to be given in the manner provided for in Section 106, not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date and Special Interest Payment Date therefor having been so given, such Defaulted Interest shall be paid on the Special Interest Payment Date to the Persons in whose names the Notes (or their respective predecessor Notes) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following clause (b).

(b) The Issuers may make payment of any Defaulted Interest in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Notes may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Issuers to the Trustee of the proposed payment pursuant to this clause, such manner of payment shall be deemed practicable by the Trustee.

Subject to the foregoing provisions of this Section, each Note delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Note shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Note.

SECTION 312. Persons Deemed Owners.

Prior to the due presentment of a Note for registration of transfer, the Issuers, the Trustee and any agent of the Issuers or the Trustee may treat the Person in whose name such Note is registered as the owner of such Note for the purpose of receiving payment of principal of (and premium, if any) and (subject to Sections 305 and 311) interest on such

Note and for all other purposes whatsoever, whether or not such Note be overdue, and none of the Issuers, the Trustee nor any agent of the Issuers or the Trustee shall be affected by notice to the contrary.

SECTION 313. Cancellation.

All Notes surrendered for payment, redemption, registration of transfer or exchange shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee and shall be promptly cancelled by it. If the Issuers shall acquire any of the Notes other than as set forth in the preceding sentence, the acquisition shall not operate as a redemption or satisfaction of the Indebtedness represented by such Notes unless and until the same are surrendered to the Trustee for cancellation pursuant to this Section 313. No Notes shall be authenticated in lieu of or in exchange for any Notes cancelled as provided in this Section, except as expressly permitted by this Indenture. All cancelled Notes held by the Trustee shall be destroyed by the Trustee and the Trustee shall send a certificate of such destruction to the Issuers.

SECTION 314. Computation of Interest.

Interest on the Notes shall be computed on the basis of a 360-day year of twelve 30-day months.

SECTION 315. CUSIP Numbers.

The Issuers in issuing Notes may use "CUSIP" numbers (if then generally in use) in addition to serial numbers; if so, the Trustee shall use such "CUSIP" numbers in addition to serial numbers in notices of redemption and repurchase as a convenience to Holders; provided that any such notice may state that no representation is made as to the correctness of such CUSIP numbers, either as printed on the Notes or as contained in any notice of a redemption or repurchase and that reliance may be placed only on the serial or other identification numbers printed on the Notes, and any such redemption or repurchase shall not be affected by any defect in or omission of such CUSIP numbers. The Issuers will promptly notify the Trustee of any change in the CUSIP numbers.

ARTICLE FOUR.
SATISFACTION AND DISCHARGE

SECTION 401. Satisfaction and Discharge of Indenture.

This Indenture shall upon the Issuers' Request cease to be of further effect (except as to surviving rights of registration of transfer or exchange of Notes expressly provided for herein or pursuant hereto) and the Trustee, at the expense of the Issuers, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture when

(i) either

(A) all Notes theretofore authenticated and delivered (other than (1) Notes which have been lost, stolen or destroyed and which have been replaced or paid as provided in Section 310 and (2) Notes for whose payment money has theretofore been deposited in trust with the Trustee or any Paying Agent or segregated and held in trust by the Issuers and thereafter repaid to the Issuers or discharged from such trust, as provided in Section 1003) have been delivered to the Trustee for cancellation; or

(B) all Notes not theretofore delivered to the Trustee for cancellation

(1) have become due and payable by reason of the making of a notice of redemption or otherwise; or

(2) will become due and payable at their Stated Maturity within one year; or

(3) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Issuers,

and the Issuers in the case of (1), (2) or (3) above, have irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust for such purpose an amount in cash or U.S. Government Obligations sufficient to pay and discharge the entire indebtedness on such Notes not theretofore delivered to the Trustee for cancellation, for principal of (and premium, if any) and interest to the date of such deposit (in the case of Notes which have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be;

(ii) no Default or Event of Default with respect to this Indenture or the Notes shall have occurred and be continuing on the date of such deposit or shall occur as a result of such deposit and such deposit will not result in a breach or violation of, or constitute a default under, any other instrument or agreement to which the Issuers is a party or by which it is bound;

(iii) the Issuers have paid or caused to be paid all sums payable hereunder by the Issuers in connection with all the Notes including all fees and expenses of the Trustee;

(iv) the Issuers have delivered irrevocable instructions to the Trustee to apply the deposited money toward the payment of such Notes at maturity or the Redemption Date, as the case may be; and

(v) the Issuers have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture and the termination of the Issuers' obligation hereunder have been satisfied.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Issuers to the Trustee under Section 607 and, if money shall have been deposited with the Trustee pursuant to subclause (B) of clause (i) of this Section, the obligations of the Trustee under Section 402 and the last paragraph of Section 1003 shall survive any such satisfaction and discharge.

SECTION 402. Application of Trust Money.

Subject to the provisions of the last paragraph of Section 1003, all money deposited with the Trustee pursuant to Section 401 shall be held in trust and applied by it, in accordance with the provisions of the Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Issuers acting as their own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal (and premium, if any) and interest for whose payment such money has been deposited with the Trustee; but such money need not be segregated from other funds except to the extent required by law.

If the Trustee or Paying Agent is unable to apply any money or U.S. Government Obligations in accordance with Section 401 by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Issuers' obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 401; provided that if the Issuers have made any payment of principal of, premium, if any, or interest on any Notes because of the reinstatement of its obligations, the Issuers shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money or Government Obligations held by the Trustee or Paying Agent.

ARTICLE FIVE.
REMEDIES

SECTION 501. Events of Default.

"Event of Default," wherever used herein, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(i) a default in the payment of principal of or premium, if any, on any Note when due at its Stated Maturity, upon optional redemption, upon required repurchase, upon declaration or otherwise;

(ii) a default in any payment of interest or Liquidated Damages, if any, on any Note when due, continued for 30 days;

(iii) the failure by either of the Issuers or any Guarantor to comply for 60 days after written notice by holders of not less than 25% in principal amount of the Notes then outstanding with any other covenant, representation, warranty or other agreement contained in this Indenture or the Notes;

(iv) default in the payment at maturity (continued for the longer of any applicable grace period or 30 days) of any Indebtedness aggregating $15,000,000 or more of the Issuers or any Significant Subsidiary or any group of Restricted Subsidiaries of Mediacom which, if merged into each other, would constitute a Significant Subsidiary, or the acceleration of any such Indebtedness which default shall not be cured or waived, or such acceleration shall not be rescinded or annulled, within 30 days after the written notice by the holders of not less than 25% in principal amount of the Notes then outstanding;

(v) any final judgment or judgments for the payment of money in excess of $15,000,000 (net of amounts covered by insurance) is rendered against the Issuers or any Significant Subsidiary or any group of Restricted Subsidiaries of Mediacom, which, if merged into each other, would constitute a Significant Subsidiary, and such judgment or judgements remain undischarged for any period of 60 consecutive days, during which a stay of enforcement of such judgment shall not be in effect;

(vi) either of the Issuers or a Significant Subsidiary or any group of Restricted Subsidiaries of Mediacom which, if merged into each other, would constitute a Significant Subsidiary, pursuant to or within the meaning of any Bankruptcy Law:

(A) commences a voluntary case;

(B) consents to the entry of an order for relief against it in an involuntary case;

(C) consents to the appointment of a custodian of it or for all or substantially all of its property;

(D) makes a general assignment for the benefit of its creditors;

or takes any comparable action under any foreign laws relating to insolvency; or

(vii) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against either of the Issuers or any Significant Subsidiary or any group of Restricted Subsidiaries of Mediacom which, if merged into each other, would constitute a Significant Subsidiary, in an involuntary case;

(B) appoints a custodian of either of the Issuers or any Significant Subsidiary or any group of Restricted Subsidiaries of Mediacom which, if merged into each other, would constitute a Significant Subsidiary, for all or substantially all of its property; or

(C) orders the winding up or liquidation of either of the Issuers or any Significant Subsidiary or any group of Restricted Subsidiaries of Mediacom which, if merged into each other, would constitute a Significant Subsidiary;

or any similar relief is granted under any foreign laws and the order or decree remains unstayed and in effect for 90 consecutive days; or

(viii) any Restricted Subsidiary Guarantee ceases to be in full force and effect (except as contemplated by the terms of the Indenture) or any Guarantor shall deny or disaffirm its obligations under this Indenture or any Restricted Subsidiary Guarantee.

The foregoing will constitute Events of Default whatever the reason for any such Event of Default and whether it is voluntary or involuntary or is effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body.

The Issuers are required to deliver to the Trustee, within 120 days after the end of each fiscal year of Mediacom, in accordance with Section 1016, an Officers' Certificate stating whether or not the signers know of any Event of Default, a description of the Event of Default and its status and what action the Issuers are taking or propose to take in respect thereof.

If a Default occurs and is continuing and is known to the Trustee, the Trustee must mail to each holder, in accordance with Section 6.02, notice of the Default within 90 days after it occurs. Except in the case of a Default in the payment of principal of, premium, if any, or interest on any Note, the Trustee may withhold notice if and so long as a committee of its Trust Officers in good faith determines that withholding notice is in the interests of the Holders of the Notes.

SECTION 502. Acceleration of Maturity; Rescission and Annulment.

If an Event of Default (other than by reason of an Event of Default specified in clause (vi) or (vii) of the first paragraph of Section 501) occurs and is continuing, the Trustee by notice to the Issuers or the Holders of not less than 25% in principal amount of the Notes then outstanding may declare the principal and accrued and unpaid interest on all the Notes to be due and payable immediately, by a notice in writing to the Issuers (and to the Trustee if given by Holders). Upon the effectiveness of such declaration, such principal will be due and payable immediately. Notwithstanding the foregoing, in the case of an Event of Default specified in clause (vi) or (vii) of the first paragraph of Section 501 occurs and is continuing, then the principal amount of all the Notes shall ipso facto become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder.

The Holders of a majority in principal amount of the outstanding Notes by notice to the Trustee may rescind an acceleration and its consequences if the rescission would not conflict with any judgment or decree and if all existing Events of Default have been cured or waived (except nonpayment of principal, interest and premium, if any, that has become due solely because of acceleration). The Trustee may rely upon such notice of rescission without any independent investigation as to the satisfaction of the conditions in the preceding sentence. No such rescission shall affect any subsequent Default or impair any right consequent thereto.

SECTION 503. Collection of Indebtedness and Suits for Enforcement by Trustee.

If an Event of Default specified in clause (i) or (ii) of the first paragraph of Section 501 occurs and is continuing, the Trustee, in its own name as trustee of an express trust, may institute a judicial proceeding for the collection of the sums so due and unpaid, may prosecute such proceeding to judgment or final decree and may enforce the same against the Issuers or any other obligor upon the Notes and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Issuers or any other obligor upon the Notes, wherever situated.

If an Event of Default occurs and is continuing the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders under this Indenture by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy, subject however to Section 513. No recovery of any such judgment upon any property of the Issuers shall affect or impair any rights, powers or remedies of the Trustee or the Holders.

SECTION 504. Trustee May File Proofs of Claim.

In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Issuers or any other obligor, upon the Notes or the property of the Issuers or of such other obligor or their creditors, the Trustee (irrespective of whether the principal of the Notes shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand on the Issuers for the payment of overdue principal, premium, if any, or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise,

(i) to file and prove a claim for the whole amount of principal (and premium, if any), interest and Liquidated Damages, if any, owing and unpaid in respect of the Notes, to take such other actions (including participating as a member, voting or otherwise, of any official committee of creditors appointed in such matter) and to file such other papers or documents and take such other actions as the Trustee (including, participation as a member of any creditors committee) may deem necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and of the Holders allowed in such judicial proceeding, and

(ii) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same;

and any custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 607.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding; provided, however, that the Trustee may, on behalf of such Holders, vote for the election of a trustee in bankruptcy or other similar official.

SECTION 505. Trustee May Enforce Claims Without Possession of Notes.

All rights of action and claims under this Indenture or the Notes may be prosecuted and enforced by the Trustee without the possession of any of the Notes or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name and as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Notes in respect of which such judgment has been recovered.

SECTION 506. Application of Money Collected.

Any money collected by the Trustee pursuant to this Article shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal (or premium, if any) or interest, upon presentation of the Notes and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

FIRST: To the payment of all amounts due the Trustee under Section 607;

SECOND: To the payment of the amounts then due and unpaid for principal of (and premium and Liquidated Damages, if any) and interest on the Notes in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the amounts due and payable on such Notes for principal (and premium and Liquidated Damages, if any), and interest, respectively; and

THIRD: The balance, if any, to the Person or Persons entitled thereto, including the Issuers or any other obligor on the Notes, as their interests may appear or as a court of competent jurisdiction may direct, provided that all sums due and owing to the Holders and the Trustee have been paid in full as required by this Indenture.

SECTION 507. Limitation on Suits.

Except to enforce the right to receive payment of principal, premium, if any, or interest when due, no holder may pursue any remedy with respect to this Indenture or the Notes unless:

(i) such holder has previously given the Trustee notice that an Event of Default is continuing;

(ii) holders of at least 25% in principal amount of the outstanding Notes have requested the Trustee to pursue the remedy;

(iii) such holders have offered the Trustee reasonable security or indemnity against any loss, liability or expense;

(iv) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of security or indemnity; and

(v) the holders of a majority in principal amount of the outstanding Notes have not given the Trustee a direction that, in the opinion of the Trustee, is inconsistent with such request within such 60-day period.

it being understood and intended that no one or more Holders shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture or any Note to affect, disturb or prejudice the rights of any other Holders, or to obtain or to seek to obtain priority or preference over any other Holders or to enforce any right under this Indenture or any Note, except in the manner herein provided and for the equal and ratable benefit of all the Holders.

SECTION 508. Unconditional Right of Holders to Receive Principal, Premium and Interest.

Notwithstanding any other provision in this Indenture the Holder of any Note shall have the right, which is absolute and unconditional, to receive payment, as provided herein (including, if applicable, Article Eleven) and in such Note of the principal of (and premium, if any) and (subject to Section 311) interest and Liquidated Damages, if any, on such Note on the respective Stated Maturities expressed in such Note (or, in the case of redemption or repurchase, on the Redemption Date or repurchase) and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such Holder.

SECTION 509. Restoration of Rights and Remedies.

If the Trustee or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceeding, the Issuers, any other obligor on the Notes, the Trustee and the Holders shall be restored severally and respectively to their former positions hereunder, and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted.

SECTION 510. Rights and Remedies Cumulative.

Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Notes in the last paragraph of Section 310, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

SECTION 511. Delay or Omission Not Waiver.

No delay or omission of the Trustee or of any Holder to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders, as the case may be.

SECTION 512. Control by Holders.

Subject to certain restrictions, the holders of a majority in principal amount of the outstanding Notes are given the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee, provided that

(i) such direction shall not be in conflict with any rule of law or this Indenture;

(ii) the Trustee need not take any action which might be unduly prejudicial to the rights of any other Holder or would involve the Trustee in personal liability; and

(iii) subject to the provisions of Section 315 of the Trust Indenture Act, the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

Prior to taking any action under this Indenture, the Trustee shall be entitled to indemnification satisfactory to it in its sole discretion against all losses and expenses caused by taking or not taking such action.

SECTION 513. Waiver of Past Defaults.

Subject to Sections 508 and 902, the Holders of a majority in aggregate principal amount of the outstanding Notes (including consents obtained in connection with a tender offer or exchange offer for the Notes) may on behalf of the Holders of all the Notes, by written notice to the Trustee, waive any existing Default or Event of Default and its consequences under this Indenture except a continuing Default or Event of Default in the payment of interest or Liquidated Damages, if any, on or the principal of, any such Note held by a non-consenting Holder, or in respect of a covenant or a provision which cannot be amended or modified without the consent of the Holders of each outstanding Note affected thereby.

In the event that any Event of Default specified in clause (iv) of the first paragraph of Section 501 shall have occurred and be continuing, such Event of Default and all consequences thereof (including without limitation any acceleration or resulting payment default) shall be annulled, waived and rescinded, automatically and without any action by the Trustee or the Holders of the Notes, if within 30 days after such Event of Default arose (i) the Indebtedness that is the basis for such Event of Default has been discharged, or (ii) the holders thereof have rescinded or waived the acceleration, notice or action (as the case may be) giving rise to such Event of Default, or (iii) if the Default that is the basis for such Event of Default has been cured.

Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon.

SECTION 514. Undertaking for Costs.

All parties to this Indenture agree, and each Holder of any Note by his acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Trustee, to any suit instituted by any Holder or group of Holders, holding in the aggregate more than

10% in principal amount of the outstanding Notes, or to any suit instituted by any Holder for the enforcement of the payment of the principal of or interest or Liquidated Damages, if any, on any Note on or after the respective Stated Maturities expressed in such Note (or, in the case of redemption, on or after the Redemption Date).

ARTICLE SIX.
THE TRUSTEE

SECTION 601. Certain Duties and Responsibilities.

(a) Except during the continuance of a Default or an Event of Default,

(i) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and the Trustee should not be liable except for the performance of such duties as specifically set forth in this Indenture and no others; and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(ii) in the absence of bad faith or willful misconduct on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture, but not to verify the contents thereof.

(b) In case a Default or an Event of Default has occurred and is continuing of which a Trust Officer of the Trustee has actual knowledge or of which written notice of such Default or Event of Default shall have been given to the Trustee of the Issuers, any other obligor of the Notes or by any Holder, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that

(i) this paragraph (c) shall not be construed to limit the effect of paragraph (a) of this Section;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by a Trust Officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(iii) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of a majority in aggregate principal amount of the outstanding Notes relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture, and

(iv) the Trustee shall not be required to examine any of the reports, information or documents filed with it pursuant to Section 1014 to determine whether there has been any breach of the covenants of the Issuers set forth in Sections 1004 through 1013.

(d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section and to the TIA.

SECTION 602. Notice of Defaults.

Within 90 days after the occurrence of any Default hereunder, the Trustee shall transmit in the manner and to the extent provided in TIA (S) 313(c), notice of such Default hereunder actually known to a Trust Officer of the Trustee, unless such Default shall have been cured or waived; provided, however, that, except in the case of a Default in the payment of the principal of (or premium, if any) or interest on any Note, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors and/or Trust Officers of the Trustee in good faith determine that the withholding of such notice is in the interest of the Holders. Notwithstanding anything to the contrary expressed in this Indenture, the Trustee shall not be deemed to have knowledge of any Default or Event of Default hereunder unless and until the Trustee shall have received written notice thereof from the Issuers at its principal Corporate Trust Office as specified in Section 105, except in the case of an Event of Default under clause (i) or (ii) of the first paragraph of Section 501 (provided that the Trustee is the Paying Agent).

SECTION 603. Certain Rights of Trustee.

(a) If an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of his own affairs.

(b) Subject to the provisions of TIA (S)(S) 315(a) through 315(d):

(i) the Trustee may conclusively rely and shall be protected in acting or refraining from acting upon (whether in its original or facsimile form) any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties and the Trustee need not investigate any fact or matter stated in the documents;

(ii) any request or direction of the Issuers mentioned herein shall be sufficiently evidenced by a Issuers' Request or Authentication Order and any resolution of the Executive Committee may be sufficiently evidenced by a Committee Resolution;

(iii) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith or willful misconduct on its part, request and rely upon an Officers' Certificate or an Opinion of Counsel and shall not liable for any action it takes or omits to take in good faith reliance on such Officers' Certificate or Opinion of Counsel;

(iv) the Trustee may consult with counsel of its selection and any advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(v) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders pursuant to this Indenture, unless such Holders shall have offered to the Trustee reasonable security or indemnity satisfactory to the Trustee against the costs, expenses, losses and liabilities which might be incurred by it in compliance with such request or direction;

(vi) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Issuers, personally or by agent or attorney;

(vii) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder; and

(viii) the Trustee shall not be liable for any action taken, suffered or omitted by it in good faith and reasonably believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture; provided, however, that the Trustee's conduct does not constitute willful misconduct or negligence.

(c) The Trustee shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

SECTION 604. Trustee Not Responsible for Recitals or Issuance of Notes.

The recitals contained herein and in the Notes, except for the Trustee's certificates of authentication, shall be taken as the statements of the Issuers, and the Trustee assumes no responsibility for their correctness and it shall not be responsible for the Mediacom's use of the proceeds from the Notes. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Notes, except that the Trustee represents that it is duly authorized to execute and deliver this Indenture, authenticate the Notes and perform its obligations hereunder and that the statements made by it in a Statement of Eligibility on Form T-1 supplied to the Issuers are true and accurate, subject to the qualifications set forth therein. The Trustee shall not be accountable for the use or application by the Issuers of the proceeds of the Notes.

SECTION 605. May Hold Notes.

The Trustee, any Paying Agent, any Note Registrar, any Authenticating Agent or any other agent of the Issuers or of the Trustee, in its individual or any other capacity, may become the owner or pledgee of Notes and, subject to TIA (S)(S) 310(b) and 311, may otherwise deal with the Issuers with the same rights it would have if it were not Trustee, Paying Agent, Note Registrar, Authenticating Agent or such other agent.

SECTION 606. Money Held in Trust.

All moneys received by the Trustee shall, until used or applied as herein provided, be held in trust hereunder for the purposes for which they were received, but need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed in writing with the Issuers.

SECTION 607. Compensation and Reimbursement.

The Issuers agree:

(i) to pay to the Trustee from time to time such compensation as shall be agreed to in writing between the Issuers and the Trustee for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(ii) except as otherwise expressly provided herein, to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents, consultants and counsel and costs and expenses of collection), except any such expense, disbursement or advance as may be attributable to its negligence or bad faith; and

(iii) to indemnify each of the Trustee or any predecessor Trustee (and their respective directors, officers, stockholders, employees and agents) for, and to hold them harmless against, any and all loss, damage, claim, liability or expense, including taxes (other than taxes based on the income of the Trustee) incurred without negligence, willful misconduct or bad faith on their part, arising out of or in connection with the acceptance or administration of this trust, including the costs and expenses of defending themselves against any claim or liability in connection with the exercise or performance of any of the Trustee's powers or duties hereunder.

The obligations of the Issuers under this Section to compensate the Trustee, to pay or reimburse the Trustee for expenses, disbursements and advances and to indemnify and hold harmless the Trustee shall constitute additional indebtedness hereunder and shall survive the satisfaction and discharge of this Indenture. As security for the performance of such obligations of the Issuers, the Trustee shall have a lien prior to the Holders of the Notes upon all property and funds held or collected by the Trustee as such, except funds held in trust for the payment of principal of (and premium, if any) or interest on particular Notes.

When the Trustee incurs expenses or renders services in connection with an Event of Default specified in clause (vi) or (vii) of Section 501, the expenses (including the reasonable charges and expenses of its counsel) of and the compensation for such services are intended to constitute expenses of administration under any applicable federal or state bankruptcy, insolvency or other similar law.

The provisions of this Section shall survive the termination of this Indenture.

SECTION 608. Corporate Trustee Required; Eligibility.

There shall be at all times a Trustee hereunder which shall be eligible to act as Trustee under TIA (S) 310(a)(1), and which may have an office in The City of New York and shall have individually, or on a consolidated basis with a bank holding company of which it is a direct or indirect wholly owned subsidiary, a combined capital and surplus of at least $50,000,000. If the Trustee does not have an office in The City of New York, the Trustee may appoint an agent in The City of New York reasonably acceptable to the Issuers to conduct any activities which the Trustee may be required under this Indenture to conduct in The City of New York. If such corporation or its parent holding company publishes reports of condition at least annually, pursuant to law or to the requirements of federal, state, territorial or District of Columbia supervising or examining authority, then for the purposes of this Section 608, the combined capital and surplus of such corporation or its parent shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section 608, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

SECTION 609. Resignation and Removal; Appointment of Successor.

(a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee in accordance with the applicable requirements of this Section.

(b) The Trustee may resign at any time by giving written notice thereof to the Issuers. Upon receiving such notice of resignation, the Issuers shall promptly appoint a successor trustee by written instrument executed by authority of the Executive Committee, a copy of which shall be delivered to the resigning Trustee and a copy to the successor trustee. If an instrument of acceptance required by this Section shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition, at the expense of the Issuers, any court of competent jurisdiction for the appointment of a successor Trustee.

(c) The Trustee may be removed at any time by Act of the Holders of not less than a majority in principal amount of the outstanding Notes, delivered to the Trustee and to the Issuers. The Trustee so removed may, at the expense of the Issuers, petition any court of competent jurisdiction for the appointment of a successor Trustee if no successor Trustee is appointed within 30 days of such removal.

(d) If at any time:

(i) the Trustee shall fail to comply with the provisions of TIA (S) 310(b) after written request therefor by the Issuers or by any Holder who has been a bona fide Holder of a Note for at least six months, or

(ii) the Trustee shall cease to be eligible under Section 608 and shall fail to resign after written request therefor by the Issuers or by any Holder who has been a bona fide Holder of a Note for at least six months, or

(iii) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a custodian of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (A) the Issuers, by a Committee Resolution, may remove the Trustee, or (B) subject to TIA (S) 315(e), any Holder who has been a bona fide Holder of a Note for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(e) If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, the Issuers, by a Committee Resolution, shall promptly appoint a successor Trustee. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee shall be appointed by Act of the Holders of a majority in principal amount of the outstanding Notes delivered to the Issuers and the retiring Trustee, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment, become the successor Trustee and supersede the successor Trustee appointed by the Issuers. If no successor Trustee shall have been so appointed by the Issuers or the Holders and accepted appointment in the manner hereinafter provided, any Holder who has been a bona fide Holder of a Note for at least six months may, at the expense of the Issuers on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee.

(f) The Issuers shall give notice of each resignation and each removal of the Trustee and each appointment of a successor Trustee to the Holders of Notes in the manner provided for in Section 106. Each notice shall include the name of the successor Trustee and the address of its Corporate Trust Office.

SECTION 610. Acceptance of Appointment by Successor.

Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to the Issuers and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on request of the Issuers or the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder. Notwithstanding the replacement of the Trustee pursuant to this Section 610, the Issuers' obligations under Section 607 shall continue for the benefit of the retiring Trustee with regard to expenses and liabilities incurred by it and compensation earned by it prior to such replacement or otherwise under this Indenture. Upon request of any such successor Trustee, the Issuers shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts.

No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

SECTION 611. Merger, Conversion, Consolidation or Succession to Business.

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Notes shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Notes so authenticated with the same effect as if such successor Trustee had itself authenticated such Notes. In case at that time any of the Notes shall not have been authenticated, any successor Trustee may authenticate such Notes either in the name of any predecessor hereunder or in the name of the successor Trustee. In all such cases such certificates shall have the full force and effect which this Indenture provides for the certificate of authentication of the Trustee shall have; provided, however, that the right to adopt the certificate of authentication of any predecessor Trustee or to authenticate Notes in the name of any predecessor Trustee shall apply only to its successor or successors by merger, conversion or consolidation.

SECTION 612. Trustee's Application for Instructions from the Issuers.

Any application by the Trustee for written instructions from the Issuers may, at the option of the Trustee, set forth in writing any action proposed to be taken or omitted by the Trustee under this Indenture and the date on and/or after which such action shall be taken or such omission shall be effective. Subject to Section 610, the Trustee shall not be liable for any action taken by, or omission of, the Trustee in accordance with a proposal included in such application on or after the date specified in such application (which date shall not be less than three Business Days after the date any officer of the Issuers actually receives such application, unless any such officer shall have consented in writing to any earlier date) unless prior to taking any such action (or the effective date in the case of an omission), the Trustee shall have received written instructions in response to such application specifying the action to be taken or omitted.

ARTICLE SEVEN.

HOLDERS LISTS AND REPORTS BY

TRUSTEE AND THE ISSUERS

SECTION 701. The Issuers to Furnish Trustee Names and Addresses.

The Issuers will furnish or cause to be furnished to the Trustee

(a) semiannually, not more than 10 days after each Regular Record Date, a list, in such form as the Trustee may reasonably require, of the names and addresses of the Holders as of such Regular Record Date; and

(b) at such other times as the Trustee may reasonably request in writing, within 30 days after receipt by the Issuers of any such request, a list of similar form and content to that in Subsection (a) hereof as of a date not more than 15 days prior to the time such list is furnished;

provided, however, that if and so long as the Trustee shall be the Note Registrar, no such list need be furnished.

SECTION 702. Disclosure of Names and Addresses of Holders.

Every Holder of Notes, by receiving and holding the same, agrees with the Issuers and the Trustee that none of the Issuers or the Trustee or any agent of either of them shall be held accountable by reason of the disclosure of any such information as to the names and addresses of the Holders in accordance with TIA (S) 312, regardless of the source from which such information was derived, and that the Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under TIA (S) 312(b).

SECTION 703. Reports by Trustee.

Within 60 days after October 15 of each year commencing with the first October 15 after the first issuance of Notes, the Trustee shall transmit to the Holders, in the manner and to the extent provided in TIA (S) 313(c), a brief report dated as of such October 15 if required by TIA (S) 313(a). Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Issuers' compliance with any of its covenants hereunder (as to which the Trustee is entitled to conclusively rely exclusively on Officers' Certificates).

The Trustee also shall comply with TIA (S) 313(b). A copy of each report at the time of its mailing to Holders shall be filed by the Trustee with the SEC and each stock exchange (if any) on which the Notes are listed. The Issuers agrees to notify promptly the Trustee whenever the Notes become listed on any stock exchange and of any delisting thereof.

ARTICLE EIGHT.

MERGER, CONSOLIDATION, OR SALE OF ASSETS

SECTION 801. The Issuers and Guarantors May Consolidate Etc. Only on Certain Terms.

Neither of the Issuers shall in a single transaction or series of related transactions consolidate with or merge with or into, or convey all or substantially all its assets to, another Person, unless:

(i) either (A) such Issuer shall be the continuing Person, or (B) the Person formed by or surviving any such consolidation or merger (if other than such Issuer), or to which any such transfer shall have been made (the "Successor Company"), shall be a corporation, limited liability company or limited partnership organized and existing under the laws of the United States, any State thereof or the District of Columbia;

(ii) the Successor Company shall expressly assume, by supplemental indenture, executed and delivered to the Trustee, in form satisfactory to the Trustee, all the obligations of such Issuer under the Notes and this Indenture;

(iii) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing;

(iv) immediately after giving effect to such transaction, the surviving Person would be able to Incur $1.00 of additional Indebtedness under the Debt to Operating Cash Flow Ratio contained in the first paragraph of Section 1008; and

(v) Mediacom shall have delivered to the Trustee prior to the proposed transaction an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture comply with this Indenture, both in the form required by this Indenture; provided that in giving such opinion such counsel may rely on such Officers' Certificate as to any matters of fact (including without limitation as to compliance with the foregoing clauses (iii) and (iv)).

No Guarantor will in a single transaction or series of related consolidate or merge with or into, or transfer all or substantially all of its assets to, another Person unless:

(i) either (A) such Guarantor shall be the continuing Person, or (B) the Person formed by or surviving any such consolidation or merger (if other than such Guarantor) or to which any such transfer shall have been made (a "Successor Guarantor"), is a corporation, limited liability company or limited partnership organized and existing under the laws of the United States, any State thereof or the District of Columbia;

(ii) the Successor Guarantor shall expressly assume by supplemental indenture executed and delivered to the Trustee, in form satisfactory to the Trustee, all the obligations of such Guarantor under its guarantee of the Notes and this Indenture;

(iii) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing; and

(iv) Mediacom shall have delivered to the Trustee prior to the proposed transaction an Officers' Certificate, and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture comply with this Indenture, both in the form required by this Indenture; provided that in giving such opinion such counsel may rely on such Officers' Certificate as to any matters of fact (including without limitation as to compliance with the foregoing clauses (iii) and (iv)).

SECTION 802. Successor Substituted.

Upon any consolidation of the Issuers or the Guarantors with or merger of the Issuers or the Guarantors with or into any other corporation or any conveyance, transfer or other disposition of all or substantially all of the assets of the

Issuers or the Guarantors to any Person in accordance with Section 801, the Successor Company or Successor Guarantor will succeed to, and be substituted for, and may exercise every right and power of, the Issuers or the Guarantors hereunder and thereafter the predecessor shall be released from all obligations and covenants hereunder, or under the guarantee of the Notes, as applicable, but, in the case of conveyance or transfer of all or substantially all its assets, the predecessor, as applicable, will not be released from the obligation to pay the principal of and interest on the Notes.

ARTICLE NINE.

SUPPLEMENTS, AMENDMENTS AND MODIFICATIONS TO INDENTURE

SECTION 901. Supplemental Indentures Without Consent of Holders.

Without the consent of any Holders, the Issuers, the Guarantors and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental hereto, in form satisfactory to the Trustee, for any of the following purposes:

(i) to cure any ambiguity, omission, defect or inconsistency; or

(ii) to provide for uncertificated Notes in addition to or in place of certificated Notes (provided that the uncertificated Notes are issued in registered form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated Notes are described in Section 163(f)(2)(B) of the Code); or

(iii) to add Restricted Subsidiary Guarantees with respect to the Notes; or

(iv) to release Guarantors pursuant to Section 1017; or

(v) to provide for the assumption by a successor corporation, limited liability company or limited partnership of the obligations of the Issuers or any Guarantor hereunder; or

(vi) to secure the Notes; or

(vii) to add to the covenants of the Issuers for the benefit of the Holders or to surrender any right or power conferred upon the Issuers; or

(viii) to make any other change that does not adversely affect the rights of any Holder; or

(ix) to comply with any requirement of the SEC in connection with the qualification of this Indenture under the Trust Indenture Act.

SECTION 902. Supplemental Indentures with Consent of Holders.

With the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes (including consents obtained in connection with a tender offer or exchange offer for the Notes), the Issuers, the Guarantors and the Trustee may enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of modifying in any manner the rights of the Holders under this Indenture; provided, however, that no such supplemental indenture shall, without the consent of the Holder of each outstanding Note affected thereby (with respect to any Notes held by a nonconsenting Holder of the Notes):

(i) change or extend the fixed maturity of any Notes, reduce the rate or extend the time of payment of interest or Liquidated Damages thereon, reduce the principal amount thereof or premium, if any, thereon or change the currency in which the Notes are payable; or

(ii) reduce the premium payable upon any redemption of Notes in accordance with the optional redemption provisions of the Notes and Section 1101 or change the time before which the Notes may be redeemed; or

(iii) waive a default in the payment of principal or interest or Liquidated Damages on the Notes (except that holders of a majority in aggregate principal amount of the Notes at the time outstanding may (a) rescind an acceleration of the Notes that resulted from a non-payment default and (b) waive the payment default that resulted from such acceleration) or alter the rights of Noteholders to waive defaults; or

(iv) reduce the aforesaid percentage of Notes, the consent of the holders of which is required for any such modification; or

(v) modify the Restricted Subsidiary Guarantees or Article Thirteen (except as contemplated by the terms of this Indenture) in any manner adverse to the Holders.

Any existing Event of Default, other than a default in the payment of principal or interest or Liquidated Damages on the Notes, or compliance with any provision of the Notes or this Indenture, other than any provision related to the payment of principal or interest or Liquidated Damages on the Notes, may be waived with the consent of holders of at least a majority in aggregate principal amount of the Notes at the time outstanding. The consent of the Holders is not necessary under this Indenture to approve the particular form of any proposed amendment or supplemental indenture. It is sufficient if such consent approves the substance of the proposed amendment or supplemental indenture.

SECTION 903. Execution of Supplemental Indentures.

The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities, as determined by the Trustee in its sole discretion under this Indenture or otherwise. In signing or refusing to sign any supplemental indenture permitted by this Article or the modifications thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and shall be fully protected in relying upon, an Officers' Certificate and an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture.

SECTION 904. Effect of Supplemental Indentures.

Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder of Notes theretofore or thereafter authenticated and delivered hereunder shall be bound thereby (except as provided in Section 902).

SECTION 905. Conformity with Trust Indenture Act.

Every supplemental indenture executed pursuant to the Article shall conform to the requirements of the Trust Indenture Act as then in effect.

SECTION 906. Reference in Notes to Supplemental Indentures.

Notes authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and shall if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Issuers or the Trustee shall so determine, new Notes so modified as to conform to any such supplemental indenture may be prepared and executed by the Issuers, and the Issuers shall issue and the Trustee shall authenticate a new Note that reflects the changed terms, the cost and expense of which will be borne by the Issuers in exchange for outstanding Notes.

SECTION 907. Notice of Supplemental Indentures.

Promptly after the execution by the Issuers and the Trustee of any supplemental indenture pursuant to the provisions of Section 902, the Issuers shall give notice thereof to the Holders of each outstanding Note affected, in the manner provided for in Section 106, setting forth in general terms the substance of such supplemental indenture. The failure to give such notice to all the Holders, or any defect therein, will not impair or affect the validity of the supplemental indenture.

ARTICLE TEN.

COVENANTS

SECTION 1001. Payment of Principal, Premium, if any, and Interest.

The Issuers, as joint and several obligors, covenant and agree for the benefit of the Holders that they will duly and punctually pay the principal of (and premium, if any) and interest and Liquidated Damages, if any, on the Notes in accordance with the terms of the Notes and this Indenture.

SECTION 1002. Maintenance of Office or Agency.

The Issuers will maintain in the Borough of Manhattan, The City of New York, an office or agency where the Notes may be presented or surrendered for payment, where, if applicable, the Notes may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Issuers in respect of the Notes and this Indenture may be served. The corporate trust office of the Trustee at 88 Pine Street, New York, New York 10005 shall be such office or agency of the Issuers, unless the Issuers shall designate and maintain some other office or agency for one or more of such purposes. The Issuers will give prompt written notice to the Trustee of any change in the location of any such office or agency. If at any time the Issuers shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, and the Issuers hereby appoint the Trustee as their agent to receive all such presentations, surrenders, notices and demands.

The Issuers may also from time to time designate one or more other offices or agencies (in or outside of The City of New York) where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind any such designation; provided, however, that no such designation or rescission shall in any manner relieve the Issuers of its obligation to maintain an office or agency in The City of New York for such purposes. The Issuers will give prompt written notice to the Trustee of any such designation or rescission and any change in the location of any such other office or agency.

SECTION 1003. Money for Note Payments to Be Held in Trust.

If the Issuers shall at any time act as their own Paying Agent, they will, on or before each due date of the principal of (or premium, if any) or interest on any of the Notes, segregate and hold in trust for the benefit of the Persons entitled thereto a sum sufficient to pay the principal of (or premium, if any) or interest so becoming due until such sums shall be paid to such Persons or otherwise disposed of as herein provided and will promptly notify the Trustee of its action or failure to so act.

Whenever the Issuers shall have one or more Paying Agents for the Notes, they will, on or before each due date of the principal of (or premium, if any) or interest on any Notes, deposit with a Paying Agent a sum in same day funds (or New York Clearing House funds if such deposit is made prior to the date on which such deposit is required to be made) that shall be available to the Trustee by 10:00 a.m. Eastern Standard Time on such due date sufficient to pay the principal (and premium and Liquidated Damages, if any) or interest so becoming due, such sum to be held in trust for the benefit of the Persons entitled to such principal, premium or interest, and (unless such Paying Agent is the Trustee) the Issuers will promptly notify the Trustee of such action or any failure to so act.

The Issuers will cause each Paying Agent (other than the Trustee) to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent will:

(i) hold all sums held by it for the payment of the principal of (and premium or Liquidated Damages, if any) or interest on Notes in trust for the benefit of the Persons entitled thereto until such sums shall be paid to such Persons or otherwise disposed of as herein provided;

(ii) give the Trustee notice of any default by the Issuers (or any other obligor upon the Notes) in the making of any payment of principal (and premium or Liquidated Damages, if any) or interest; and

(iii) at any time during the continuance of any such default, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such Paying Agent.

The Issuers may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by Authentication Order direct any Paying Agent to pay, to the Trustee all sums held in trust by the Issuers or such Paying Agent, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by the Issuers or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such sums.

Any money deposited with the Trustee or any Paying Agent, or then held by the Issuers, in trust for the payment of the principal of (or premium or Liquidated Damages, if any) or interest on any Note and remaining unclaimed for two years after such principal, premium, Liquidated Damages or interest has become due and payable shall be paid to the Issuers on the Issuers' Request, or (if then held by the Issuers) shall be discharged from such trust; and the Holder of such Note shall thereafter, as an unsecured general creditor, look only to the Issuers for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Issuers as trustee thereof, shall thereupon cease; provided, however, that the Trustee or such Paying Agent, before being required to make any such repayment to the Issuers, may at the expense of the Issuers cause to be published once, in a leading daily newspaper (if practicable, The Wall Street Journal (Eastern Edition)) printed in the English language and of general circulation in New York City, notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such publication, any unclaimed balance of such money then remaining will be repaid to the Issuers.

SECTION 1004. Corporate Existence.

Subject to Article Eight, the Issuers will do or cause to be done all things necessary to preserve and keep in full force and effect the corporate existence and that of each Restricted Subsidiary and the corporate rights (charter and statutory) licenses and franchises of the Issuers and each Restricted Subsidiary; provided, however, that the Issuers shall not be required to preserve any such existence (except the Issuers) right, license or franchise if the Executive Committee of Mediacom shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Issuers and each of Mediacom's Restricted Subsidiaries, taken as a whole, and that the loss thereof is not, and will not be, disadvantageous in any material respect to the Holders.

SECTION 1005. Payment of Taxes and Other Claims.

The Issuers will pay or discharge or cause to be paid or discharged, before the same shall become delinquent, (i) all material taxes, assessments and governmental charges levied or imposed upon the Issuers or any Subsidiary or upon the income, profits or property of the Issuers or any Subsidiary and (ii) all lawful claims for labor, materials and supplies, which, if unpaid, might by law become a material liability or lien upon the property of the Issuers or any Restricted Subsidiary; provided, however, that the Issuers shall not be required to pay or discharge or cause to be paid or discharged any such tax, assessment, charge or claim whose amount, applicability or validity is being contested in good faith by appropriate proceedings and for which appropriate reserves, if necessary (in the good faith judgment of management of the Issuers) are being maintained in accordance with GAAP.

SECTION 1006. Compliance with Laws.

The Issuers shall comply, and shall cause each of its Restricted Subsidiaries to comply, with all applicable statutes, rules, regulations, orders and restrictions of the United States of America, all states and municipalities thereof, and of any governmental regulatory authority, in respect of the conduct of their respective businesses and the ownership of their respective properties, except for such noncompliances as would not in the aggregate have a material adverse effect on the financial condition or results of operations of the Issuers and its Restricted Subsidiaries, taken as a whole.

SECTION 1007. Limitation on Restricted Payments.

(a) So long as any of the Notes remain outstanding, Mediacom shall not, and shall not permit any Restricted Subsidiary to, make any Restricted Payment if (i) at the time of such proposed Restricted Payment, a Default or Event of Default shall have occurred and be continuing or shall occur as a consequence of such Restricted Payment; (ii) immediately after giving effect to such proposed Restricted Payment, Mediacom would not be able to Incur $1.00 of additional Indebtedness under the Debt to Operating Cash Flow Ratio of the first paragraph of Section 1008, or (iii) immediately after giving effect to any such Restricted Payment, the aggregate of all Restricted Payments which shall have been made on or after the date hereof (the amount of any Restricted Payment, if other than cash, to be based upon the fair market value thereof on the date of such Restricted Payment (without giving effect to subsequent changes in value) as determined in good faith by the Executive Committee, whose determination shall be conclusive and evidenced by a Committee Resolution) would exceed an amount equal to the difference between (a) the Cumulative Credit and (b) 1.4 times Cumulative Interest Expense.

(b) The provisions of paragraph (a) of this Section 1007 shall not prevent (i) the retirement of any of Mediacom's Equity Interests in exchange for, or out of the proceeds of, the substantially concurrent sale (other than to a Subsidiary of Mediacom or an employee stock ownership plan or to a trust established by Mediacom or any Subsidiary of Mediacom for the benefit of its employees) of Equity Interests of Mediacom; (ii) the payment of any dividend or distribution on, or redemption of Equity Interests within 60 days after the date of declaration of such dividend or distribution or the giving of formal notice of such redemption, if at the date of such declaration or giving of such formal notice such payment or redemption would comply with the provisions of this Indenture; (iii) Investments constituting Restricted Payments made as a result of the receipt of non-cash consideration from any Asset Sale made pursuant to and in compliance with the provisions described under Section 1013; (iv) payments of compensation to officers, directors and employees of Mediacom or any Restricted Subsidiary so long as the Executive Committee or the manager of Mediacom in good faith shall have approved the terms thereof; (v) the payment of dividends on any Equity Interests of any Restricted Subsidiary following the issuance thereof in an amount per annum of up to 6% of the net proceeds received by Mediacom or such Restricted Subsidiary from an Equity Offering of such Equity Interests; (vi) the payment of management, consulting and advisory fees, and any related reimbursement of expenses or indemnity, to Mediacom Management or any Affiliate thereof and other amounts payable pursuant to the Operating Agreement, other than any dividend or distribution (whether made in cash, property or securities) on or with respect to any Equity Interests of Mediacom or any redemption, repurchase, retirement or other direct or indirect acquisition of any Equity Interests of Mediacom, or any warrants, rights or options to purchase or acquire any such Equity Interests or any securities exchangeable for or convertible into any such Equity Interests; (vii) the payment of amounts in connection with any merger, consolidation, or sale of assets effected in accordance with Article Eight, provided that no such payment may be made pursuant to this clause (vii) unless, after giving effect to such transaction (and the Incurrence of any Indebtedness in connection therewith and the use of the proceeds thereof), Mediacom would be able to Incur $1.00 of additional Indebtedness in compliance with the first paragraph of Section 1008 such that after incurring that $1.00 of additional Indebtedness, the Debt to Operating Cash Flow Ratio would be less than or equal to 6.0 to 1.0; (viii) the retirement, redemption or repurchase (a "Regulatory Equity Interest Repurchase") of any of Mediacom's Equity Interests pursuant to Article 11 of the Operating Agreement as a result of the occurrence of a Triggering Event (as defined in the Operating Agreement and which relates to certain small business investment company, Federal Communications Commission and other regulatory violations described therein); (ix) the redemption, repurchase, retirement, defeasance or other acquisition of any Subordinated Obligations in exchange for, or out of net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of Mediacom or an employee stock ownership plan or to a trust established by Mediacom or any Subsidiary of Mediacom (for the benefit of its employees) of Equity Interests of Mediacom or Subordinated Obligations of Mediacom; (x) the payment of any dividend or distribution on or distribution on or with respect to any Equity Interests of any Restricted Subsidiary to the holders of its Equity Interests on a pro rata basis; (xi) the making and consummation of (A) an Excess Proceeds Offer in accordance with the provisions of this Indenture with any Excess Proceeds or (B) a Change of Control Offer with respect to the Notes in accordance with the provisions of this Indenture; (xii) during the period Mediacom is treated as a partnership for U.S. federal income tax purposes and after such period to the extent relating to the liability for such period, the payment of distributions in respect of members' or partners' income tax liability with respect to Mediacom in an amount not to exceed the aggregate amount of tax distributions, if any, permitted to be made by Mediacom to its members under the Operating Agreement (such amount not to include amounts in respect of taxes resulting from Mediacom's reorganization as or change in the status to a corporation); (xiii) the payment by any Restricted Subsidiary to Mediacom or another Restricted Subsidiary of principal and interest due in respect of intercompany Indebtedness and dividends and other distributions in respect of Preferred Equity Interests in such Restricted Subsidiary; (xiv) the payment by Mediacom California of all amounts due in respect of the promissory note in the original principal amount of $2,800,000 issued to Booth American Company; and (xv) the distribution of any Investment originally made by Mediacom or any Restricted Subsidiary pursuant to the first paragraph of this covenant to holders of Equity Interests of Mediacom or such Restricted Subsidiary, as the case may be; provided, however, that in the case of clauses (ii), (v), (vii), (x), (xi) and (xv) of this paragraph, no Default or Event of Default shall have occurred and be continuing at the time of such Restricted Payment or as a result thereof. In determining the aggregate amount of Restricted Payments made on or after the date of this Indenture, Restricted Payments made pursuant to clauses (ii) and (v) and any Restricted Payment deemed to have been made pursuant to Section 1009 shall be included in such calculation.

(c) Not later than the date of making any Restricted Payment, Mediacom shall deliver to the Trustee an Officers' Certificate stating that such Restricted Payment is permitted and setting forth the basis upon which the calculations required by this Section 1007 were computed, which calculations may be based upon Mediacom's latest available financial statements. The Trustee shall have no duty to recompute or recalculate or verify the accuracy of the information set forth in such Officers' Certificate.

SECTION 1008. Limitation on Indebtedness.

Mediacom shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, Incur any Indebtedness (including Acquired Indebtedness) or issue any Disqualified Equity Interests except for Permitted Indebtedness; provided, however, that Mediacom or any Restricted Subsidiary may Incur Indebtedness or issue Disqualified Equity Interests if, at the time of and immediately after giving pro forma effect to such Incurrence of Indebtedness or issuance of Disqualified Equity Interests and the application of the proceeds therefrom, the Debt to Operating Cash Flow Ratio would be less than or equal to 7.0 to 1.0.

The limitations contained in the foregoing paragraph shall not apply to the Incurrence of any of the following (collectively, "Permitted Indebtedness"), each of which shall be given independent effect:

(a) Indebtedness under the Initial Notes issued on the date of this Indenture, the Exchange Notes issued in exchange for the Initial Notes, the Private Exchange Notes issued in exchange for the Initial Notes and this Indenture;

(b) Indebtedness and Disqualified Equity Interests of Mediacom and the Restricted Subsidiaries outstanding on the Issue Date other than Indebtedness described in clause (a), (c), (d) or (f) of this paragraph;

(c) (i) Indebtedness of the Restricted Subsidiaries under the Subsidiary Credit Facilities (including any refinancing thereof), and (ii) Indebtedness of the Restricted Subsidiaries (including any refinancing thereof) if, at the time of and immediately after giving pro forma effect to the Incurrence of such Indebtedness and the application of the proceeds therefrom, the Debt to Operating Cash Flow Ratio would be less than or equal to 6.0 to 1.0; provided, however, that for purposes of the calculation of such Ratio, the term "Consolidated Total Indebtedness" shall refer only to the Consolidated Total Indebtedness of the Restricted Subsidiaries (including Indebtedness Incurred under the Subsidiary Credit Facilities and the Future Subsidiary Credit Facilities) outstanding as of the Determination Date (as defined hereafter in the term "Debt to Operating Cash Flow Ratio") and the term "Operating Cash Flow" shall refer only to the Subsidiary Operating Cash Flow of the Restricted Subsidiaries for the related Measurement Period (as defined in the term "Debt to Operating Cash Flow Ratio");

(d) Indebtedness and Disqualified Equity Interests of (x) any Restricted Subsidiary owed to or issued to and held by Mediacom or any Restricted Subsidiary and (y) Mediacom owed to and held by any Restricted Subsidiary which is unsecured and subordinated in right of payment to the payment and performance of the Issuers' obligations under this Indenture and the Notes; provided, however, that an Incurrence of Indebtedness and Disqualified Equity Interests that is not permitted by this clause (d) shall be deemed to have occurred upon (i) any sale or other disposition of any Indebtedness or Disqualified Equity Interests of Mediacom or a Restricted Subsidiary referred to in this clause (d) to any Person (other than Mediacom or a Restricted Subsidiary), (ii) any sale or other disposition of Equity Interests of a Restricted Subsidiary which holds Indebtedness or Disqualified Equity Interests of Mediacom or another Restricted Subsidiary such that such Restricted Subsidiary ceases to be a Restricted Subsidiary or (iii) any designation of a Restricted Subsidiary which holds Indebtedness or Disqualified Equity Interests of Mediacom as an Unrestricted Subsidiary;

(e) guarantees by any Restricted Subsidiary of Indebtedness of Mediacom or any other Restricted Subsidiary Incurred in accordance with the provisions of this Indenture;

(f) Hedging Agreements of Mediacom or any Restricted Subsidiary relating to any Indebtedness of Mediacom or such Restricted Subsidiary, as the case may be, Incurred in accordance with the provisions of this Indenture; provided that such Hedging Agreements have been entered into for bona fide business purposes and not for speculation;

(g) Indebtedness or Disqualified Equity Interests of Mediacom or any Restricted Subsidiary to the extent representing a replacement, renewal, refinancing or extension (collectively, a "refinancing") of outstanding Indebtedness or Disqualified Equity Interests of Mediacom or any Restricted Subsidiary, as the case may be, Incurred in compliance with the Debt to Operating Cash Flow Ratio of the first paragraph of this covenant or clause (a) or (b) of this paragraph of this covenant; provided, however, that (i) Indebtedness or Disqualified Equity Interests of Mediacom may not be refinanced under this clause (g) with Indebtedness or Disqualified Equity Interests of any Restricted Subsidiary, (ii) any such refinancing shall not exceed the sum of the principal amount or liquidation preference or redemption payment value (or, if such Indebtedness or Disqualified Equity Interests provides for a lesser amount to be due and payable upon a declaration of acceleration thereof at the time of such refinancing, an amount no greater than such lesser amount) of the Indebtedness or Disqualified Equity Interests being refinanced plus the amount of accrued interest or dividends thereon and the amount of any reasonably determined prepayment premium necessary to accomplish such refinancing and such reasonable fees and expenses incurred in connection therewith, (iii) Indebtedness representing a refinancing of Indebtedness of Mediacom shall have a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of the Indebtedness being refinanced, (iv) Subordinated Obligations of Mediacom or Disqualified Equity Interests of Mediacom may only be refinanced with Subordinated Obligations of Mediacom or Disqualified Equity Interests of Mediacom, and (v) Other Pari Passu Debt which is unsecured may only be refinanced with unsecured Indebtedness, which is either Other Pari Passu Debt or Subordinated Obligations, or with Disqualified Equity Interests;

(h) Indebtedness of Mediacom or a Restricted Subsidiary Incurred as a result of the pledge by Mediacom or such Restricted Subsidiary of intercompany indebtedness or Equity Interests in another Restricted Subsidiary or Equity Interests in an Unrestricted Subsidiary in the circumstance where recourse to Mediacom or such Restricted Subsidiary is limited to the value of the intercompany Indebtedness or the Equity Interests so pledged;

(i) Indebtedness of Mediacom or a Restricted Subsidiary represented by Capitalized Lease Obligations, mortgage financings, purchase money obligations or letters of credit, in each case Incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property, plant or equipment used in the business of Mediacom or such Restricted Subsidiary or a Related Business in an aggregate principal amount not to exceed $15,000,000 at any time outstanding;

(j) Indebtedness of Mediacom Incurred to finance (including any refinancing thereof) one or more Regulatory Equity Interest Repurchases occurring in accordance with and pursuant to the Operating Agreement; and

(k) In addition to any Indebtedness described in clauses (a) through (j) above, Indebtedness of Mediacom or any of the Restricted Subsidiaries so long as the aggregate principal amount of all such Indebtedness incurred pursuant to this clause (k) does not exceed $10,000,000 at any one time outstanding.

For purposes of determining compliance with this Section 1008, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Indebtedness described in clauses (a) through (k) above or is entitled to be incurred pursuant to the first paragraph of this Section 1008, Mediacom shall, in its sole discretion, classify such item of Indebtedness in any manner that complies with this Section 1008 and such item of Indebtedness shall be treated as having been incurred pursuant to only one of such clauses or pursuant to the first paragraph hereof.

SECTION 1009. Limitation on Affiliate Transactions.

Mediacom shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, engage in any transaction (or series of related transactions) involving in the aggregate $5,000,000 or more with any Affiliate unless such transaction (or series of related transactions) shall have been approved pursuant to a Committee Resolution rendered in good faith by the Executive Committee or, if applicable, a committee comprising the independent members of the Executive Committee, which approval in each case shall be conclusive, to the effect that such transaction (or series of related transactions) is (a) in the best interest of Mediacom or such Restricted Subsidiary and (b) upon terms which would be obtainable by Mediacom or a Restricted Subsidiary in a comparable arm's-length transaction with a Person which is not an Affiliate, except that the foregoing shall not apply in the case of any of the following transactions (the "Specified Affiliate Transactions"): (i) the making of any Restricted Payment (including the making of any Permitted Investment that is permitted pursuant to Section 1007); (ii) any transaction or series of transactions between Mediacom and one or more Restricted Subsidiaries or between two or more Restricted Subsidiaries; (iii) the payment of compensation (including, without limitation, amounts paid pursuant to employee benefit plans) for the personal services of, and indemnity provided on behalf of, officers, members, directors and employees of Mediacom or any Restricted Subsidiary, and management, consulting or advisory fees and reimbursements of expenses and indemnity in each case so long as the Executive Committee in good faith shall have approved the terms thereof and deemed the services theretofore or thereafter to be performed for such compensation or fees to be fair consideration therefor; (iv) any payments for goods or services purchased in the ordinary course of business, upon terms which would be obtainable by Mediacom or a Restricted Subsidiary in a comparable arm's-length transaction with a Person which is not an Affiliate; and (v) any transaction pursuant to any agreement with any Affiliate in effect on the date of this Indenture (including, but not limited to, the Operating Agreement and other agreements relating to the payment of management fees, acquisition fees and expense reimbursements), including any amendments thereto entered into after the date of this Indenture, provided, that the terms of any such amendment are not less favorable to Mediacom than the terms of the relevant agreement in effect prior to any such amendment, as determined in good faith by the Executive Committee. The Indenture will further provide that, except in the case of a Specified Affiliate Transaction, Mediacom shall not, and shall not permit any Restricted Subsidiary, directly or indirectly, to engage in any transaction (or series of related transactions) involving in the aggregate $25,000,000 or more with any Affiliate unless (i) such transaction (or series of related transactions) shall have been approved pursuant to a Committee Resolution rendered in good faith by the Executive Committee or, if applicable, a committee comprising the independent members of the Executive Committee to the effect set forth in clauses (a) and (b) above; and (ii) Mediacom shall have received an opinion from an independent nationally recognized accounting, appraisal or investment banking firm experienced in the review of similar types of transactions stating that the terms of such transaction (or series of related transactions) are fair to Mediacom or such Restricted Subsidiary, as the case may be, from a financial point of view. Notwithstanding the foregoing, any transaction (or series of related transactions) entered into by Mediacom or any Restricted Subsidiary with any Affiliate without complying with the foregoing provisions of this Section 1009 shall not constitute a violation of the provisions of this Section 1009 if Mediacom or such Restricted Subsidiary would be permitted to make a Restricted Payment pursuant to paragraph (a) of Section 1007 at the time of the completion of such transaction (or series of related transactions) in an amount equal to the fair market value of such transaction (or series of related transactions), as determined in good faith by the Executive Committee, whose determination shall be conclusive and evidenced by a Committee Resolution. In such a case, Mediacom or such Restricted Subsidiary, as the case may be, shall be deemed to have made a Restricted Payment for purposes of the calculation of Restricted Payments pursuant to clause (iii) of paragraph (a) of Section 1007.

SECTION 1010. Limitation on Dividends and Other Payment Restrictions Affecting Subsidiaries.

Mediacom shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any Restricted Subsidiary to (a) pay dividends or make any other distributions to Mediacom or any Restricted Subsidiary on its Equity Interests; (b) pay any Indebtedness owed to Mediacom or any Restricted Subsidiary; (c) make loans or advances, or guarantee any such loans or advances, to Mediacom or any Restricted Subsidiary; (d) transfer any of its properties or assets to

Mediacom or any Restricted Subsidiary; (e) grant Liens on the assets of Mediacom or any Restricted Subsidiary in favor of the holders of the Notes; or (f) guarantee the Notes or any renewals or refinancings thereof (any of the actions described in clauses (a) through (f) above is referred to herein as a "Specified Action"), except for (i) such encumbrances or restrictions arising by reason of Acquired Indebtedness of any Restricted Subsidiary existing at the time such Person became a Restricted Subsidiary, provided that such encumbrances or restrictions were not created in anticipation of such Person becoming a Restricted Subsidiary and are not applicable to Mediacom or any other Restricted Subsidiary, (ii) such encumbrances or restrictions arising under refinancing Indebtedness permitted by clause (g) of the second paragraph under Section 1008; provided that the terms and conditions of any such restrictions are no less favorable to the holders of Notes than those under the Indebtedness being refinanced, (iii) customary provisions restricting the assignment of any contract or interest of Mediacom or any Restricted Subsidiary, (iv) restrictions contained in this Indenture or any other indenture governing debt securities that are no more restrictive than those contained in this Indenture, and (v) restrictions under the Subsidiary Credit Facilities and under the Future Subsidiary Credit Facilities, provided that, in the case of any Future Subsidiary Credit Facility Mediacom shall have used commercially reasonable efforts to include in the agreements relating to such Future Subsidiary Credit Facility provisions concerning the encumbrance or restriction on the ability of any Restricted Subsidiary to take any Specified Action that are no more restrictive than those in effect in the Subsidiary Credit Facilities on the date of the creation of the applicable restriction in such Future Subsidiary Credit Facility ("Comparable Restriction Provisions"), and provided further that if Mediacom shall conclude in its sole discretion based on then prevailing market conditions that it is not in the best interest of Mediacom and the Restricted Subsidiaries to comply with the foregoing proviso, the failure to include Comparable Restriction Provisions in the agreements relating to such Future Subsidiary Credit Facility shall not constitute a violation of the provisions of this Section 1010.

SECTION 1011. Limitation on Liens.

Mediacom shall not Incur any Indebtedness secured by a Lien against or on any of its property or assets now owned or hereafter acquired by Mediacom unless contemporaneously therewith effective provision is made to secure the Notes equally and ratably with such secured Indebtedness. This restriction does not, however, apply to Indebtedness secured by (i) Liens, if any, in effect on the date of this Indenture; (ii) Liens in favor of governmental bodies to secure progress or advance payments; (iii) Liens on Equity Interests or Indebtedness existing at the time of the acquisition thereof (including acquisition through merger or consolidation), provided that such Liens were not Incurred in anticipation of such acquisition; (iv) Liens securing industrial revenue or pollution control bonds; (v) Liens securing the Notes; (vi) Liens securing Indebtedness of Mediacom in an amount not to exceed $10,000,000 at any time outstanding; (vii) Other Permitted Liens; and (viii) any extension, renewal or replacement of any Lien referred to in the foregoing clauses (i) through (vii), inclusive.

SECTION 1012. Change of Control.

(a) Upon the occurrence of a Change of Control, each holder of Notes shall have the right to require the Issuers to repurchase all or any part of such holder's Notes pursuant to an offer described in this Section 1012 (the "Change of Control Offer") at a purchase price equal to 101% of the principal amount thereof plus any accrued and unpaid interest and Liquidated Damages, if any, thereon to the date of repurchase (the "Change of Control Payment").

(b) Within 30 days of the occurrence of a Change of Control, the Issuers shall send by first-class mail, postage prepaid, to the Trustee and to each holder of the Notes, at the address appearing in the Note Register, a notice stating: (1) that the Change of Control Offer is being made pursuant to this Section 1012 and that all Notes tendered will be accepted for payment; (2) the purchase price and the purchase date, which shall be a business day no earlier than 30 days nor later than 60 days from the date such notice is mailed (the "Change of Control Payment Date"); (3) that any Note not tendered will continue to accrue interest; (4) that, unless the Issuers default in the payment of the Change of Control Payment, any Notes accepted for payment pursuant to the Change of Control Offer shall cease to accrue interest after the Change of Control Payment Date; (5) that holders accepting the offer to have their Notes purchased pursuant to a Change of Control Offer will be required to surrender the Notes to the Paying Agent at the address specified in the notice prior to the close of business on the business day preceding the Change of Control Payment Date; (6) that holders will be entitled to withdraw their acceptance if the Paying Agent receives, not later than the close of business on the third Business Day preceding the Change of Control Payment Date, a telegram, telex, facsimile transmission or letter setting forth the name of the holder, the principal amount of the Notes delivered for purchase, and a statement that such holder is withdrawing its election to have such Notes purchased; (7) that holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered, provided that each Note purchased and each such new Note issued shall be in an original principal amount in denominations of $1,000 and integral multiples thereof; (8) any other procedures that a holder must follow to accept a Change of Control Offer or effect withdrawal of such acceptance; and (9) the name and address of the Paying Agent.

(c) On the Change of Control Payment Date, the Issuers shall, to the extent lawful (i) accept for payment Notes or portions thereof tendered pursuant to the Change of Control Offer, (ii) deposit with the Paying Agent money sufficient to pay the purchase price of all Notes or portions thereof so tendered and (iii) deliver or cause to be delivered to the Trustee Notes so accepted together with an Officers' Certificate stating the Notes or portions thereof tendered to the Issuers. The Paying Agent shall promptly mail to each holder of Notes so accepted payment in an amount equal to the purchase price for such Notes, and the Issuers shall execute and issue, and the Trustee shall promptly authenticate and mail to such holder, a new Note equal in principal amount to any unpurchased portion of the Notes surrendered; provided that each such new Note shall be issued in an original principal amount in denominations of $1,000 and integral multiples thereof. The Issuers shall send to the Trustee and the holders of Notes on or as soon as practicable after the Change of Control Payment Date a notice setting forth the results of the Change of Control Offer.

(d) The Issuers shall not be required to make a Change of Control Offer if a third party makes the Change of Control Offer in the manner, at the time and otherwise in compliance with the requirements set forth herein applicable to a Change of Control Offer made by the Issuers and purchases all Notes or portions thereof validly tendered and not withdrawn under such Change of Control Offer.

(e) The Issuers shall comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Notes pursuant to this covenant.

SECTION 1013. Limitation on Sales of Assets.

(a) Mediacom shall not, and shall not permit any Restricted Subsidiary to, consummate an Asset Sale unless (i) Mediacom or such Restricted Subsidiary, as the case may be, receives consideration at the time of such sale or other disposition at least equal to the fair market value thereof (as determined in good faith by the Executive Committee, whose determination shall be conclusive and evidenced by a Committee Resolution); (ii) not less than 75% of the consideration received by Mediacom or such Restricted Subsidiary, as the case may be, is in the form of cash or Cash Equivalents; and (iii) the Asset Sale Proceeds received by Mediacom or such Restricted Subsidiary are applied (a) first, to the extent Mediacom elects, or is required, to prepay, repay or purchase debt under any then existing Indebtedness of Mediacom or any Restricted Subsidiary within 360 days following the receipt of the Asset Sale Proceeds from any Asset Sale or, to the extent Mediacom elects, to make an investment in assets (including Equity Interests or other securities purchased in connection with the acquisition of Equity Interests or property of another Person) used or useful in a Related Business, provided that such investment occurs and such Asset Sale Proceeds are so applied within 360 days following the receipt of such Asset Sale Proceeds (the "Reinvestment Date"), and (b) second, on a pro rata basis (1) to the repayment of an amount of Other Pari Passu Debt not exceeding the Other Pari Passu Debt Pro Rata Share (provided that any such repayment shall result in a permanent reduction of any commitment in respect thereof in an amount equal to the principal amount so repaid) and (2) if on the Reinvestment Date with respect to any Asset Sale the Excess Proceeds exceed $10,000,000, the Issuers shall apply an amount equal to such Excess Proceeds to an offer to repurchase the Notes, at a purchase price in cash equal to 100% of the principal amount thereof plus accrued and unpaid interest and Liquidated Damages, if any, to the date of repurchase (an "Excess Proceeds Offer"). If an Excess Proceeds Offer is not fully subscribed, the Issuers may retain the portion of the Excess Proceeds not required to repurchase Notes. For purposes of determining in clause (ii) above the percentage of cash consideration received by Mediacom or any Restricted Subsidiary, the amount of any (x) liabilities (as shown on Mediacom's or such Restricted Subsidiary's most recent balance sheet) of Mediacom or any Restricted Subsidiary that are actually assumed by the transferee in such Asset Sale and from which Mediacom and the Restricted Subsidiaries are fully released shall be deemed to be cash, and (y) securities, notes or other similar obligations received by Mediacom or such Restricted Subsidiary from such transferee that are immediately converted (or are converted within 30 days of the related Asset Sale) by Mediacom or such Restricted Subsidiary into cash shall be deemed to be cash in an amount equal to the net cash proceeds realized upon such conversion.

(b) If the Issuers are required to make an Excess Proceeds Offer, the Issuers shall mail, within 30 days following the Reinvestment Date, a notice to the holders of Notes stating, among other things: (1) that such holders have the right to require the Issuers to apply the Excess Proceeds to repurchase such Notes at a purchase price in cash equal to 100% of the principal amount thereof plus accrued and unpaid interest and Liquidated Damages, if any, to the date of purchase; (2) the purchase date, which shall be no earlier than 30 days and not later than 60 days from the date such notice is mailed; (3) the instructions, determined by the Issuers, that each holder must follow in order to have such Notes repurchased; and (4) the calculations used in determining the amount of Excess Proceeds to be applied to the repurchase of such Notes. If the aggregate principal amount of Notes surrendered by holders thereof exceeds the amount of Excess Proceeds, the Trustee shall select the Notes to be purchased on a pro rata basis or by lot or by such other method that the Trustee deems to be fair and equitable to holders. Upon completion of the Excess Proceeds Offer, the amount of Excess Proceeds shall be reset to zero.

(c) The Issuers shall comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Notes pursuant to this covenant.

(d) Notwithstanding the foregoing, Mediacom or any Restricted Subsidiary shall be permitted to consummate an Asset Swap if (i) at the time of entering into the related Asset Swap Agreement or immediately after giving effect to such Asset Swap no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof and (ii) such Asset Swap shall have been approved in good faith by the Executive Committee, whose approval shall be conclusive and evidenced by a Committee Resolution, which states that such Asset Swap is fair to Mediacom or such Restricted Subsidiary, as the case may be, from a financial point of view.

SECTION 1014. Reports.

Whether or not the Issuers are subject to Section 13(a) or 15(d) of the Exchange Act or any successor provision thereto, the Issuers shall file with the SEC (if permitted by SEC practice and applicable law and regulations) so long as the Notes are outstanding the annual reports, quarterly reports and other periodic reports which the Issuers would have been required to file with the SEC pursuant to Section 13(a) or 15(d) or any successor provision thereto if the Issuers were so subject on or prior to the respective dates (the "Required Filing Dates") by which the Issuers would have been required to file such documents if the Issuers were so subject. The Issuers shall also in any event (a) within 15 days of each Required Filing Date (whether or not permitted or required to be filed with the SEC) (i) transmit or cause to be transmitted by mail to all holders of Notes, at such holder's address appearing in the register maintained by the Note Registrar, without cost to such holders, and (ii) file with the Trustee, copies of the annual reports, quarterly reports and other documents which the Issuers are required to file with the SEC pursuant to the preceding sentence, or if such filing is not so permitted, information and data of a similar nature, and (b) if, notwithstanding the preceding sentence, filing such documents by the Issuers with the SEC is not permitted by SEC practice or applicable law or regulations, promptly upon written request supply copies of such documents to any holder of Notes. In addition, for so long as any Notes remain outstanding and prior to the later of the consummation of the Exchange Offer and the effectiveness of the Shelf Registration Statement, if required, the Issuers shall furnish to holders and to securities analysts and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

SECTION 1015. Limitation on Business Activities of Mediacom Capital.

Mediacom Capital shall not hold any material assets, become liable for any material obligations, engage in any trade or business, or conduct any business activity, other than the issuance of Equity Interests to Mediacom or any Wholly Owned Restricted Subsidiary, the Incurrence of Indebtedness as a co-obligor or guarantor of Indebtedness Incurred by Mediacom, including the Notes, that is permitted to be Incurred by Mediacom under Section 1008 (provided that the net proceeds of such Indebtedness are retained by Mediacom or loaned to or contributed as capital to one or more of the Restricted Subsidiaries other than Mediacom Capital), and activities incidental thereto. Neither Mediacom nor any Restricted Subsidiary shall engage in any transactions with Mediacom Capital in violation of the immediately preceding sentence.

SECTION 1016. Statement by Officers as to Default.

(a) The Issuers will deliver to the Trustee, within 120 days after the end of each fiscal year, an Officers' Certificate stating that a review of the activities of the Issuers and its Restricted Subsidiaries during the preceding fiscal year has been made under the supervision of the signing officers with a view to determining whether it has kept, observed, performed and fulfilled, and has caused each of its Restricted Subsidiaries to keep, observe, perform and fulfill its obligations under this Indenture and further stating, as to each such officer signing such certificate, that, to the best of his or her knowledge, the Issuers during such preceding fiscal year has kept, observed, performed and fulfilled, and has caused each of its Restricted Subsidiaries to keep, observe, perform and fulfill each and every such covenant contained in this Indenture and no Event of Default occurred during such year and at the date of such certificate there is no Event of Default which has occurred and is continuing or, if such signers do know of such Event of Default, the certificate shall describe its status with particularity and shall state what action the Issuers are taking or propose to take in respect thereof and that, to the best of his or her knowledge, no event has occurred and remains by reason of which payments on the account of the principal of or interest, if any, on the Notes is prohibited or if such event has occurred, a description of the event and what action each is taking or proposes to take with respect thereto. The Officers' Certificate shall also notify the Trustee should the Issuers elect to change the manner in which it fixes it fiscal year end. For purposes of this Section 1016(a), such compliance shall be determined without regard to any period of grace or requirement of notice under this Indenture.

(b) When any Default has occurred and is continuing under this Indenture, or if the trustee for or the holder of any other evidence of Indebtedness of the Issuers or any Significant Subsidiary gives any notice or takes any other action with respect to a claimed Default (other than with respect to Indebtedness in the principal amount of less than $15,000,000), the Issuers shall deliver to the Trustee by registered or certified mail or facsimile transmission an Officers' Certificate specifying such event, notice or other action within five Business Days of its occurrence.

SECTION 1017. Limitation on Guarantees of Certain Indebtedness.

(a) Mediacom shall not (i) permit any Restricted Subsidiary to guarantee any Indebtedness of either Issuer other than the Notes (the "Other Indebtedness"), or (ii) pledge any intercompany Indebtedness representing obligations of any of its Restricted Subsidiaries to secure the payment of Other Indebtedness, in each case unless such Restricted Subsidiary, the Issuers and the Trustee execute and deliver a supplemental indenture pursuant to Section 901 causing such Restricted Subsidiary to guarantee (the "Restricted Subsidiary Guarantee") the Issuers' obligations under this Indenture and the Notes to the same extent that such Restricted Subsidiary guaranteed the Issuers' obligations under the Other Indebtedness (including waiver of subrogation, if any). Thereafter, such Restricted Subsidiary shall be a Guarantor for all purposes of this Indenture .

(b) The guarantee of a Restricted Subsidiary shall be released upon (i) the sale of all of the Equity Interests, or all or substantially all of the assets, of the applicable Guarantor (in each case other than to Mediacom or a Subsidiary), (ii) the designation by Mediacom of the applicable Guarantor as an Unrestricted Subsidiary pursuant to Section 1018, or (iii) the release of the guarantee of such Guarantor with respect to the obligations which caused such Guarantor to deliver the Restricted Subsidiary Guarantee in accordance with the preceding paragraph, in each case in compliance with this Indenture (including, in the event of a sale of Equity Interests or assets described in clause (i) above, that the net cash proceeds are applied in accordance with the requirements of Section 1013).

(c) The Trustee shall, at the sole cost and expense of the Issuers, upon receipt of a request by the Issuers accompanied by an Officers' Certificate certifying as to the compliance with paragraph (b) of this Section and, with respect to clause (i) or (ii) of paragraph (b) of this Section, upon receipt at the reasonable request of the Trustee of an Opinion of Counsel that the provisions of this Section have been complied with, deliver an appropriate instrument evidencing such release. Any Guarantor not so released remains liable for the full amount of principal of and interest on the Notes and the other obligations of the Issuers provided herein.

SECTION 1018. Designation of Unrestricted Subsidiaries.

(a) Mediacom may designate any Subsidiary (including any newly acquired or newly formed Subsidiary or a Person becoming a Subsidiary through merger or consolidation or Investment therein) as an "Unrestricted Subsidiary" under this Indenture (a "Designation") only if (a) no Default or Event of Default shall have occurred and be continuing at the time of or after giving effect to such

Designation; (b) at the time of and after giving effect to such Designation, Mediacom would be able to Incur $1.00 of additional Indebtedness under the Debt to Operating Cash Flow Ratio under the first paragraph of Section 1008; and (c) Mediacom would be permitted to make a Restricted Payment at the time of Designation (assuming the effectiveness of such Designation) pursuant to paragraph (a) of Section 1007 in an amount (the "Designation Amount") equal to Mediacom's proportionate interest in the fair market value of such Subsidiary on such date (as determined in good faith by the Executive Committee, whose determination shall be conclusive and evidenced by a Committee Resolution). Notwithstanding the foregoing, neither Mediacom Capital nor any of its Subsidiaries may be designated as Unrestricted Subsidiaries.

(b) At the time of Designation all of the Indebtedness of such Unrestricted Subsidiary shall consist of, and shall at all times thereafter consist of, Non-Recourse Indebtedness, and neither Mediacom nor any Restricted Subsidiary shall at any time have any direct or indirect obligation to (x) make additional Investments (other than Permitted Investments) in any Unrestricted Subsidiary or (y) maintain or preserve the financial condition of any Unrestricted Subsidiary or cause any Unrestricted Subsidiary to achieve any specified levels of operating results or (z) be party to any agreement, contract, arrangement or understanding with any Unrestricted Subsidiary unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to Mediacom or such Restricted Subsidiary than those that might be obtained, in light of all the circumstances, at the time from Persons who are not Affiliates of Mediacom. If, at any time, any Unrestricted Subsidiary would violate the foregoing requirements, it shall thereafter cease to be an Unrestricted Subsidiary for purposes of this Indenture and any Indebtedness of such Subsidiary shall be deemed to be Incurred as of such date.

(c) Mediacom may revoke any Designation of a Subsidiary as an Unrestricted Subsidiary (a "Revocation") if (a) no Default or Event of Default shall have occurred and be continuing at the time of or after giving effect to such Revocation; (b) at the time of and after giving effect to such Revocation, Mediacom would be able to Incur $1.00 of additional Indebtedness under the Debt to Operating Cash Flow Ratio of the first paragraph of Section 1008; and (c) all Liens and Indebtedness of such Unrestricted Subsidiary outstanding immediately following such Revocation would, if Incurred at such time, have been permitted to be Incurred for all purposes of this Indenture.

(d) All Designations and Revocations must be evidenced by Committee Resolutions delivered to the Trustee certifying compliance with the foregoing provisions.

ARTICLE ELEVEN.

REDEMPTION OF NOTES

SECTION 1101. Optional Redemption.

The Notes may or shall, as the case may be, be redeemed, as a whole or from time to time in part, subject to the conditions and at the redemption prices specified in the Form of Note (Section 203), together with accrued and unpaid interest and Liquidated Damages, if any, thereon to the date of redemption.

SECTION 1102. Applicability of Article.

Redemption of Notes at the election of the Issuers or otherwise, as permitted or required by any provision of this Indenture, shall be made in accordance with such provision and this Article.

SECTION 1103. Election to Redeem; Notice to Trustee.

The election of the Issuers to redeem any Notes pursuant to Section 1101 shall be evidenced by a Committee Resolution. In case of any redemption at the election of the Issuers, the Issuers shall, at least 90 days prior to the date of redemption (the "Redemption Date") fixed by the Issuers (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee of such Redemption Date and of the principal amount of Notes to be redeemed and shall deliver to the Trustee such documentation and records as shall enable the Trustee to select the Notes to be redeemed pursuant to Section 1104.

SECTION 1104. Selection by Trustee of Notes to Be Redeemed.

If fewer than all the Notes are to be redeemed, the Trustee will select the Notes to be redeemed, if the Notes are listed on a national securities exchange, in accordance with the rules of such exchange or, if the Notes are not so listed, on a pro rata basis or by lot or by such other method that the Trustee deems to be fair and equitable to holders. If any Note is to be redeemed in part only, the notice of redemption that relates to such Note shall state the portion of the principal amount thereof to be redeemed and a new Note or Notes in principal amount equal to the unredeemed principal portion thereof will be issued; provided, that no Notes of a principal amount of $1,000 or less shall be redeemed in part. On and after the Redemption Date, interest will cease to accrue on Notes or portions thereof called for redemption as long as the Issuers have deposited with the Paying Agent for the Notes funds in satisfaction of the applicable redemption price pursuant to the Indenture.

The Trustee shall promptly notify the Issuers in writing of the Notes selected for redemption and, in the case of any Notes selected for partial redemption, the principal amount thereof to be redeemed.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to redemption of Notes shall relate, in the case of any Note redeemed or to be redeemed only in part, to the portion of the principal amount of such Note which has been or is to be redeemed.

SECTION 1105. Notice of Redemption.

Notice of redemption shall be given in the manner provided for in Section 106 not less than 30 nor more than 60 days' prior to the Redemption Date by first class mail to each Holder of Notes to be redeemed at such Holder's address appearing in the Note Register. The Trustee shall give notice of redemption in the Issuers' name and at the Issuers' expense; provided, however, that the Issuers shall deliver to the Trustee, at least 45 days prior to the Redemption Date, an Officers' Certificate requesting that the Trustee give such notice and setting forth the information to be stated in such notice as provided in the following items.

All notices of redemption shall state:

(i) the Redemption Date,

(ii) the Redemption Price and the amount of accrued interest to the Redemption Date payable as provided in Section 1107, if any,

(iii) if less than all outstanding Notes are to be redeemed, the identification of the particular Notes (or portion thereof) to be redeemed, as well as the aggregate principal amount of Notes to be redeemed and the aggregate principal amount of Notes to be outstanding after such partial redemption,

(iv) in case any Note is to be redeemed in part only, the notice which relates to such Note shall state that on and after the Redemption Date, upon surrender of such Note, the holder will receive, without charge, a new Note or Notes of authorized denominations for the principal amount thereof remaining unredeemed,

(v) that on the Redemption Date the Redemption Price (and accrued interest, if any, to the Redemption Date payable as provided in Section 1107) will become due and payable upon each such Note, or the portion thereof, to be redeemed, and, unless the Issuers defaults in making the redemption payment, that interest on Notes called for redemption (or the portion thereof) will cease to accrue on and after said date,

(vi) the place or places where such Notes are to be surrendered for payment of the Redemption Price and accrued interest, if any,

(vii) the name and address of the Paying Agent,

(viii) that Notes called for redemption must be surrendered to the Paying Agent to collect the Redemption Price,

(ix) the CUSIP number, and that no representation is made as to the accuracy or correctness of the CUSIP number, if any, listed in such notice or printed on the Notes, and

(x) the paragraph of the Notes or Section of this Indenture pursuant to which the Notes are to be redeemed.

SECTION 1106. Deposit of Redemption Price.

Prior to any Redemption Date, the Issuers shall deposit with the Trustee or with a Paying Agent (or, if the Issuers are acting as their own Paying Agent, segregate and hold in trust as provided in Section 1003) an amount of money sufficient to pay the Redemption Price of, and accrued interest on, all the Notes which are to be redeemed on that date.

SECTION 1107. Notes Payable on Redemption Date.

Notice of redemption having been given as aforesaid, the Notes so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified (together with accrued interest, if any, to the Redemption Date), and from and after such date (unless the Issuers shall default in the payment of the Redemption Price and accrued interest) such Notes shall cease to bear interest. Upon surrender of any such Note for redemption in accordance with said notice, such Note shall be paid by the Issuers at the Redemption Price, together with accrued interest, if any, to the Redemption Date; provided, however, that installments of interest whose Stated Maturity is on or prior to the Redemption Date shall be payable to the Holders of such Notes, or one or more predecessor Notes, registered as such at the close of business on the relevant Regular Record Date or Special Record Date, as the case may be, according to their terms and the provisions of Section 311.

If any Note called for redemption shall not be so paid upon surrender thereof for redemption, the principal (and premium, if any) shall, until paid, bear interest from the Redemption Date at the rate borne by the Notes.

SECTION 1108. Notes Redeemed in Part.

Any Note which is to be redeemed only in part (pursuant to the provisions of this Article) shall be surrendered at the office or agency of the Issuers maintained for such purpose pursuant to Section 1002 (with, if the Issuers or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Issuers and the Trustee duly executed by, the Holder thereof or such Holder's attorney duly authorized in writing), and the Issuers shall execute, and the Trustee shall authenticate and deliver to the Holder of such Note at the expense of the Issuers, a new Note or Notes, of any authorized denomination as requested by such Holder, in an aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Note so surrendered, provided, that each such new Note will be in a principal amount of $1,000 or integral multiple thereof.

ARTICLE TWELVE.

DEFEASANCE AND COVENANT DEFEASANCE

SECTION 1201. The Issuers' Option to Effect Defeasance or Covenant Defeasance.

The Issuers may, at their option, at any time, with respect to the Notes, elect to have either Section 1202 or Section 1203 be applied to all outstanding Notes upon compliance with the conditions set forth in this Article Twelve. The Issuers in their sole discretion can defease the Notes.

SECTION 1202. Defeasance and Discharge.

Upon the Issuers' exercise under Section 1201 of the option applicable to this Section 1202, the Issuers shall be deemed to have been discharged from any and all obligations with respect to all outstanding Notes on the date the conditions set forth in Section 1204 are satisfied (hereinafter, "Defeasance"). For this purpose, such Defeasance means that the Issuers shall be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Notes, which shall thereafter be deemed to be "outstanding" only for the purposes of Section 1205 and the other Sections of this Indenture referred to in (i) and (ii) below, and to have satisfied all its other obligations under such Notes and this Indenture insofar as such Notes are concerned (and the Trustee, at the expense of the Issuers, shall execute proper instruments acknowledging the same), except for the following which shall survive until otherwise terminated or discharged hereunder: (i) the rights of Holders of outstanding Notes to receive, solely from the trust fund described in Section 1204 and as more fully set forth in such Section, payments in respect of the principal of (and premium, if any, on) and interest on such Notes when such payments are due, (ii) the Issuers' obligations with respect to such Notes under Sections 304, 305, 310, 1002 and 1003, (iii) the rights, powers, trusts, duties and immunities of the Trustee hereunder, and the Issuers' obligations in connection therewith and (iv) this Article Twelve.

If the Issuers exercise their Defeasance option, payment of the Notes may not be accelerated because of an Event of Default.

Subject to compliance with this Article Twelve, the Issuers may exercise their option under this Section 1202 notwithstanding the prior exercise of their option under Section 1203 with respect to the Notes.

SECTION 1203. Covenant Defeasance.

Upon the Issuers' exercise under Section 1201 of the option applicable to this Section 1203, the Issuers may terminate (i) its obligations under any covenant contained in Sections 1007 through 1015 and Section 1017, (ii) the operation of Section 501(iv), Section 501(v), Section 501(vi) (with respect only to Significant Subsidiaries), Section 501(vii) (with respect only to Significant Subsidiaries) and Section 501(iii) and (iii) the limitations contained in Sections 801(iii) and 801(iv) (hereinafter, "Covenant Defeasance"), and the Notes shall thereafter be deemed not to be "outstanding" for the purposes of any direction, waiver, consent or declaration or Act of Holders (and the consequences of any thereof) in connection with such covenants, but shall continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes will not be outstanding for accounting purposes). If the Issuers exercise their covenant defeasance option, payment of the Notes may not be accelerated because of an Event of Default specified under Section 501(iv), (v), (vi) (with respect only to Significant Subsidiaries), (vii) (with respect only to Significant Subsidiaries) and Section 501(viii) or because of the failure of the Issuers to comply with Section 801(iii) and 801(iv). For this purpose, such Covenant Defeasance means that, with respect to the outstanding Notes, the Issuers may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply shall not constitute a Default or an Event of Default under Section 501(iii), but, except as specified above, the remainder of this Indenture and such Notes shall be unaffected thereby.

SECTION 1204. Conditions to Defeasance or Covenant Defeasance.

The following shall be the conditions to application of either Section 1202 or Section 1203 to the outstanding Notes:

(i) the Issuers shall irrevocably have deposited or caused to be deposited with the Trustee (or another trustee satisfying the requirements of this Indenture who shall agree to comply with the provisions of this Article Twelve applicable to it) as trust funds in trust money or U.S. Government Obligations, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants selected by the Issuers, to pay the principal of, premium, if any, and Liquidated Damages, if any, and interest due on the outstanding Notes on the Stated Maturity or on the applicable Redemption Date as the case may be, of such principal, premium, if any, or interest on the outstanding Notes;

(ii) in the case of Defeasance, the Issuers shall have delivered to the Trustee an Opinion of Counsel in the United States reasonably acceptable to the Trustee (which opinion may be subject to customary assumptions and exclusions) confirming that (A) the Issuers have received from, or there has been published by, the United States Internal Revenue Service a ruling or (B) since the Issue Date, there has been a change in the applicable U.S. federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel in the United States (which opinion may be subject to customary assumptions and exclusions) shall confirm that the Holders of the outstanding Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Defeasance had not occurred;

(iii) Mediacom shall have delivered to the Trustee an Opinion of Counsel in the United States reasonably acceptable to the Trustee confirming that, subject to customary assumptions and exclusions, the Holders of the outstanding Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Defeasance or Covenant Defeasance and will be subject to such tax on the same amounts, in the same manner and at the same times as would have been the case if such Defeasance or Covenant Defeasance had not occurred;

(iv) no Default or Event of Default shall have occurred and be continuing on the date of such deposit or insofar as Events of Default from bankruptcy or insolvency events are concerned, at any time in the period ending on the 91st day after the date of deposit;

(v) such Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than this Indenture) to which the Issuers is a party or by which the Issuers is bound;

(vi) Mediacom shall have delivered to the Trustee an Opinion of Counsel to the effect that, (A) as of the date of such opinion and subject to customary assumptions and exclusions following the deposit, the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally under any applicable U.S. federal or state law, and that the Trustee has a perfected security interest in such trust funds for the ratable benefit of the Holders and (B) such Defeasance or Covenant Defeasance, as the case may be, will not require registration of the Issuers, the Trustee or the trust fund under the Investment Company Act of 1940, as amended or the Investment Advisors Act of 1940, as amended;

(vii) The Issuers shall have delivered to the Trustee an Officers' Certificate stating that the deposit was not made by the Issuers with the intent of defeating, hindering, delaying or defrauding any creditors of the Issuers or others;

(viii) The Issuers shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel in the United States (which Opinion of Counsel may be subject to customary assumptions and exclusions) each stating that all conditions precedent provided for or relating to the Defeasance or the Covenant Defeasance, as the case may be, have been complied with; and

(ix) The Issuers shall have delivered to the Trustee the opinion of a nationally recognized firm of independent public accountants stating the matters set forth in paragraph (i) above.

SECTION 1205. <u>Deposited Money and U.S. Government Obligations to Be Held in Trust; Other Miscellaneous Provisions.</u>

Subject to the provisions of the last paragraph of Section 1003, all money and U.S. Government Obligations (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 1205, the "Trustee") pursuant to Section 1204 in respect of the outstanding Notes shall be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Issuers acting as their own Paying Agent) as the Trustee may determine, to the Holders of such Notes of all sums due and to become due thereon in respect of principal (and premium, if any) and interest, but such money need not be segregated from other funds except to the extent required by law.

The Issuers shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the Government Obligations deposited pursuant to Section 1204 or the principal and interest received in respect thereof.

Anything in this Article Twelve to the contrary notwithstanding, the Trustee shall deliver or pay to the Issuers from time to time upon the Issuers' Request any money or U.S. Government Obligations held by it as provided in Section 1204 which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof which would then be required to be deposited to effect an equivalent defeasance or covenant defeasance, as applicable, in accordance with this Article.

SECTION 1206. Reinstatement.

If the Trustee or any Paying Agent is unable to apply any money or U.S. Government Obligations in accordance with Section 1205 by reason of any legal proceeding or by any reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Issuers' obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 1202 or 1203, as the case may be, until such time as the Trustee or Paying Agent is permitted to apply all such money in accordance with Section 1205; provided, however, that if the Issuers makes any payment of principal of (or premium, if any) or interest on any Note following the reinstatement of its obligations, the Issuers shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money and U.S. Government Obligations held by the Trustee or Paying Agent.

ARTICLE THIRTEEN.

RESTRICTED SUBSIDIARY GUARANTEE

SECTION 1301. Unconditional Guarantee.

Each Guarantor hereby unconditionally, jointly and severally, guarantees to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns that: the principal of and interest and Liquidated Damages, if any, on the Notes shall be promptly paid in full when due, subject to any applicable grace period, whether at maturity, by acceleration or otherwise, and interest and Liquidated Damages, if any, on the overdue principal and interest on any overdue interest on the Notes and all other obligations of the Issuers to the Holders or the Trustee hereunder or under the Notes shall be promptly paid in full or performed, all in accordance with the terms hereof and thereof; subject, however, to the limitations set forth in Section 1303. Each Guarantor hereby agrees that its obligations hereunder shall be unconditional, irrespective of the validity, regularity or enforceability of the Notes or this Indenture, the absence of the any action to enforce the same, any waiver or consent by any Holder of the Notes with respect to any provisions hereof or thereof, the recovery of any judgment against the Issuers, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor. Each Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Issuers, any right to require a proceeding first against the Issuers, protest, notice and all demands whatsoever and covenants that the Restricted Subsidiary Guarantee will not be discharged except by complete performance of the obligations contained in the Notes, this Indenture, and this Restricted Subsidiary Guarantee. If any Holder or the Trustee is required by any court or otherwise to return to the Issuers, any Guarantor, or any custodian, trustee, liquidator or other similar official acting in relation to the Issuers or any Guarantor, any amount paid by the Issuers to any Guarantor to the Trustee or such Holder, this Restricted Subsidiary Guarantee, to the extent theretofore discharged, shall be reinstated in full force and effect. Each Guarantor further agrees that, as between each Guarantor, on the one hand, and the Holders and the Trustee, on the other hand, (x) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article Five for the purpose of this Restricted Subsidiary Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby, and (y) in the event of any acceleration in respect of such obligations as provided in Article Five, such obligations (whether or not due and payable) shall forthwith become due and payable by each Guarantor for the purpose of this Restricted Subsidiary Guarantee.

SECTION 1302. Severability.

In case any provision of this Restricted Subsidiary Guarantee shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 1303. Limitation of Guarantor's Liability.

Each Guarantor, and by its acceptance hereof each Holder and the Trustee, hereby confirms that it is the intention of all such parties that the guarantee by such Guarantor pursuant to its Restricted Subsidiary Guarantee not constitute a fraudulent transfer or conveyance for purposes of title 11 of the United States Code, as amended, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar U.S. Federal or state or other applicable law or that the obligations of such Guarantor under Section 1301 would otherwise be held or determined to be void, invalid or unenforceable on account of the amount of its liability under said Section 1301. To effectuate the foregoing intention, the Holders and such Guarantor hereby irrevocably agree that the obligations of such Guarantor under the Restricted Subsidiary Guarantee shall be limited to the maximum amount as will, after giving effect to all other contingent and fixed liabilities of such Guarantor and after giving effect to any collections from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under its Restricted Subsidiary Guarantee or pursuant to Section 1304, result in the obligations of such Guarantor under the Restricted Subsidiary Guarantee not constituting such fraudulent transfer or conveyance and not being held or determined to be void, invalid or unenforceable.

SECTION 1304. Contribution.

In order to provide for just and equitable contribution among the Guarantors, the Guarantors agree, inter se, that in the event any payment or distribution is made by any Guarantor (a "Funding Guarantor") under the Restricted Subsidiary Guarantee, such Funding Guarantor shall be entitled to a contribution from all other Guarantors in a pro rata amount, based on the net assets of each Guarantor (including the Funding Guarantor), determined in accordance with GAAP, subject to Section 1303, for all payments, damages and expenses incurred by that Funding Guarantor in discharging the Issuers' obligations with respect to the Notes or any other Guarantor's obligations with respect to the Restricted Subsidiary Guarantee.

SECTION 1305. Additional Guarantors.

Any Restricted Subsidiary which is required pursuant to Section 1017 to become a Guarantor shall (a) execute and deliver to the Trustee a supplemental indenture in form and substance reasonably satisfactory to the Trustee which subjects such Restricted Subsidiary to the provisions of this Indenture as a Guarantor and pursuant to which such Restricted Subsidiary agrees to guarantee to each Holder of a Note the payment of allowances due in respect of the Notes in accordance with the provisions of this Indenture, and (b) cause to be delivered to the Trustee an Opinion of Counsel to the effect that such supplemental indenture has been duly authorized and executed by such Restricted Subsidiary and constitutes the legal, valid, binding and enforceable obligation of such Restricted Subsidiary (subject to such customary exceptions concerning fraudulent conveyance laws, creditors' rights and equitable principles).

SECTION 1306. Subordination of Subrogation and Other Rights.

Each Guarantor hereby agrees that any claim against the Issuers that arises from the payment, performance or enforcement of such Guarantor's obligations under its Restricted Subsidiary Guarantee or this Indenture, including, without limitation, any right of subrogation, shall be subject and subordinate to, and no payment with respect to any such claim of such Guarantor shall be made before, the payment in full in cash of all outstanding Notes in accordance with the provisions provided therefor in this Indenture.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed as of the day and year first above written.

MEDIACOM LLC

By

Name:
Title:

MEDIACOM CAPITAL CORPORATION

By

Name:
Title:

BANK OF MONTREAL TRUST COMPANY

By

Name:
Title:

EXHIBIT 4.1(b)

MEDIACOM LLC
MEDIACOM CAPITAL CORPORATION

$200,000,000

8 1/2% Senior Notes due 2008

EXCHANGE AND REGISTRATION RIGHTS AGREEMENT

April 1, 1998

CHASE SECURITIES INC.
c/o Chase Securities Inc.
270 Park Avenue, 4th floor
New York, New York 10017

Ladies and Gentlemen:

Mediacom LLC, a New York limited liability company ("Mediacom" and, together with its direct and indirect Subsidiaries (as defined herein) and Mediacom Capital (as defined herein), the "Company"), and Mediacom Capital Corporation, a New York corporation and a wholly-owned subsidiary of Mediacom ("Mediacom Capital" and, together with Mediacom, the "Issuers"), propose to issue and sell to Chase Securities Inc. (the "Initial Purchaser"), upon the terms and subject to the conditions set forth in a purchase agreement dated March 27, 1998 (the "Purchase Agreement"), $200,000,000 aggregate principal amount of their 8 1/2% Senior Notes due 2008 (the "Notes"). Capitalized terms used but not defined herein shall have the meanings given to such terms in the Purchase Agreement.

As an inducement to the Initial Purchaser to enter into the Purchase Agreement and in satisfaction of a condition to the obligations of the Initial Purchaser thereunder, the Issuers agree with the Initial Purchaser, for the benefit of the holders (including the Initial Purchaser) of the Notes, the Exchange Notes (as defined herein) and the Private Exchange Notes (as defined herein) (collectively, the "Holders"), as follows:

1. Registered Exchange Offer. The Issuers shall (i) prepare and, not later than 90 days following the date of original issuance of the Notes (the "Issue Date"), file with the Commission a registration statement on Form S-1 or Form S-4, if the use of such form is then available (the "Exchange Offer Registration Statement"), with respect to a proposed offer to the Holders of the Notes (the "Registered Exchange Offer") to issue and deliver to such Holders, in exchange for the Notes, a like aggregate principal amount of debt securities of the Issuers (the "Exchange Notes") that are identical in all material respects to the Notes, except for the transfer restrictions relating to the Notes, (ii) use their reasonable best efforts to cause the Exchange Offer Registration Statement to become effective under the Securities Act no later than 150 days after the Issue Date and the Registered Exchange Offer to be consummated no later than 180 days after the Issue Date and (iii) keep the Exchange Offer Registration Statement effective for not less than 30 days (or longer, if required by applicable law) after the date on which notice of the Registered Exchange Offer is mailed to the Holders (such period being called the "Exchange Offer Registration Period"). The Exchange Notes will be issued under the Indenture or an indenture (the "Exchange Notes Indenture") between the Issuers and the Trustee or such other bank or trust company that is reasonably satisfactory to the Initial Purchaser, as trustee (the "Exchange Notes Trustee"), such indenture to be identical in all material respects to the Indenture, except for the transfer restrictions relating to the Notes (as described above).

Upon the effectiveness of the Exchange Offer Registration Statement, the Issuers shall promptly commence the Registered Exchange Offer, it being the objective of such Registered Exchange Offer to enable each Holder electing to exchange Notes for Exchange Notes or Private Exchange Notes (assuming that such Holder (a) is not an affiliate of the Issuers or an Exchanging Dealer (as defined herein) not complying with the requirements of the next sentence, (b) is not an Initial Purchaser holding Notes that have, or that are reasonably likely to have, the status of an unsold allotment in an initial distribution, (c) acquires the Exchange Notes in the ordinary course of such Holder's business and (d) has no arrangements or understandings with any person to participate in the distribution of the

Exchange Notes) and to trade such Exchange Notes from and after their receipt without any limitations or restrictions under the Securities Act and without material restrictions under the securities laws of the several states of the United States. The Issuers, the Initial Purchaser and each Exchanging Dealer acknowledge that, pursuant to current interpretations by the Commission's staff of Section 5 of the Securities Act, each Holder that is a broker-dealer electing to exchange Notes, acquired for its own account as a result of market-making activities or other trading activities, for Exchange Notes (an "Exchanging Dealer"), is required to deliver a prospectus containing substantially the information set forth in Exhibit A hereto on the cover, in Exhibit B hereto in the "Exchange Offer Procedures" section and the "Purpose of the Exchange Offer" section and in Exhibit C hereto in the "Plan of Distribution" section of such prospectus in connection with a sale of any such Exchange Notes received by such Exchanging Dealer pursuant to the Registered Exchange Offer.

If, prior to the consummation of the Registered Exchange Offer, any Holder holds any Notes acquired by it that have, or that are reasonably likely to be determined to have, the status of an unsold allotment in an initial distribution, or any Holder is not entitled to participate in the Registered Exchange Offer, the Issuers shall, upon the request of any such Holder, simultaneously with the delivery of the Exchange Notes in the Registered Exchange Offer, issue and deliver to any such Holder, in exchange for the Notes held by such Holder (the "Private Exchange"), a like aggregate principal amount of debt securities of the Issuers (the "Private Exchange Notes") that are identical in all material respects to the Exchange Notes, except for the transfer restrictions relating to such Private Exchange Notes. The Private Exchange Notes will be issued under the same indenture as the Exchange Notes, and the Issuers shall use their reasonable best efforts to cause the Private Exchange Notes to bear the same CUSIP number as the Exchange Notes.

In connection with the Registered Exchange Offer, the Issuers shall:

(a) mail to each Holder a copy of the prospectus forming part of the Exchange Offer Registration Statement, together with an appropriate letter of transmittal and related documents;

(b) keep the Registered Exchange Offer open for not less than 30 days (or longer, if required by applicable law) after the date on which notice of the Registered Exchange Offer is mailed to the Holders;

(c) utilize the services of a depositary for the Registered Exchange Offer with an address in the Borough of Manhattan, The City of New York;

(d) permit Holders to withdraw tendered Notes at any time prior to the close of business, New York City time, on the last business day on which the Registered Exchange Offer shall remain open; and

(e) otherwise comply in all respects with all laws that are applicable to the Registered Exchange Offer.

As soon as practicable after the close of the Registered Exchange Offer and any Private Exchange, as the case may be, the Issuers shall:

(a) accept for exchange all Notes tendered and not validly withdrawn pursuant to the Registered Exchange Offer and the Private Exchange;

(b) deliver to the Trustee for cancellation all Notes so accepted for exchange; and

(c) cause the Trustee or the Exchange Notes Trustee, as the case may be, promptly to authenticate and deliver to each Holder, Exchange Notes or Private Exchange Notes, as the case may be, equal in principal amount to the Notes of such Holder so accepted for exchange.

The Issuers shall use their reasonable best efforts to keep the Exchange Offer Registration Statement effective and to amend and supplement the prospectus contained therein in order to permit such prospectus to be used by all persons subject to the prospectus delivery requirements of the Securities Act for such period of time as such persons must comply with such requirements in order to resell the Exchange Notes; provided that (i) in the case where such prospectus and any amendment or supplement thereto must be delivered by an Exchanging Dealer, such period shall be the lesser of 180 days and the date on which all Exchanging Dealers have sold all Exchange Notes held by them and (ii) the Issuers shall make such prospectus and any amendment or supplement thereto available to any broker-dealer for use in connection with any resale of any Exchange Notes for a period of not less than 90 days after the consummation of the Registered Exchange Offer.

The Indenture or the Exchange Notes Indenture, as the case may be, shall provide that the Notes, the Exchange Notes and the Private Exchange Notes shall vote and consent together on all matters as one class and that none of the Notes, the Exchange Notes or the Private Exchange Notes will have the right to vote or consent as a separate class on any matter.

Interest on each Exchange Note and Private Exchange Note issued pursuant to the Registered Exchange Offer and in the Private Exchange will accrue from the last interest payment date on which interest was paid on the Notes surrendered in exchange therefor or, if no interest has been paid on the Notes, from the Issue Date .

Each Holder participating in the Registered Exchange Offer shall be required to represent to the Issuers that at the time of the consummation of the Registered Exchange Offer, (i) any Exchange Notes received by such Holder will be acquired in the ordinary course of business, (ii) such Holder will have no arrangements or understanding with any person to participate in the distribution of the Notes or the Exchange Notes within the meaning of the Securities Act, and (iii) such Holder is not an affiliate of the Issuers or, if it is such an affiliate, such Holder will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable.

Notwithstanding any other provisions hereof, the Issuers will ensure that (i) any Exchange Offer Registration Statement and any amendment thereto and any prospectus forming part thereof and any supplement thereto complies in all material respects with the Securities Act and the rules and regulations of the Commission thereunder, (ii) any Exchange Offer Registration Statement and any amendment thereto does not, when it becomes effective, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading and (iii) any prospectus forming part of any Exchange Offer Registration Statement, and any supplement to such prospectus, does not, as of the consummation of the Registered Exchange Offer, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

2. Shelf Registration. If (i) because of any change in law or applicable interpretations thereof by the Commission's staff the Issuers are not permitted to effect the Registered Exchange Offer as contemplated by Section 1 hereof, or (ii) any Notes validly tendered pursuant to the Registered Exchange Offer are not exchanged for Exchange Notes within 180 days after the Issue Date, or (iii) the Initial Purchaser so requests with respect to Notes or Private Exchange Notes not eligible to be exchanged for Exchange Notes in the Registered Exchange Offer and held by it following the consummation of the Registered Exchange Offer, or (iv) any applicable law or interpretations do not permit any Holder to participate in the Registered Exchange Offer, or (v) any Holder that participates in the Registered Exchange Offer does not receive freely transferable Exchange Notes in exchange for tendered Notes, or (vi) the Issuers so elect, then the following provisions shall apply:

(a) The Issuers shall use their reasonable best efforts to file as promptly as practicable (but in no event more than 30 days after so required or requested pursuant to this Section 2) with the Commission, and thereafter shall use its reasonable best efforts to cause to be declared effective, a shelf registration statement on an appropriate form under the Securities Act relating to the offer and sale of the Transfer Restricted Securities (as defined below) by the Holders thereof from time to time in accordance with the methods of distribution set forth in such registration statement (hereafter, a "Shelf Registration Statement" and, together with any Exchange Offer Registration Statement, a "Registration Statement").

(b) The Issuers shall use their reasonable best efforts to keep the Shelf Registration Statement continuously effective in order to permit the prospectus forming part thereof to be used by Holders of Transfer Restricted Securities for a period ending on the earlier of (i) two years from the Issue Date or such shorter period that will terminate when all the Transfer Restricted Securities covered by the Shelf Registration Statement have been sold pursuant thereto and (ii) the date on which the Notes become eligible for resale without volume restrictions pursuant to Rule 144 under the Securities Act (in any such case, such period being called the "Shelf Registration Period"). The Issuers shall be deemed not to have used their reasonable best efforts to keep the Shelf Registration Statement effective during the requisite period if they voluntarily take any action that would result in Holders of Transfer Restricted Securities covered thereby not being able to offer and sell such Transfer Restricted Securities during that period, unless such action is required by applicable law.

(c) Notwithstanding any other provisions hereof, the Issuers will ensure that (i) any Shelf Registration Statement and any amendment thereto and any prospectus forming part thereof and any supplement thereto complies in all material respects with the Securities Act and the rules and regulations of the Commission thereunder, (ii) any Shelf Registration Statement and any amendment thereto (in either case, other than with respect to information included therein in reliance upon or in conformity with written information furnished to the Issuers by or on behalf of any Holder specifically for use therein (the "Holders' Information")) does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading and (iii) any prospectus forming part of any Shelf Registration Statement, and any supplement to such prospectus (in either case, other than with respect to Holders' Information), does not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

3. Liquidated Damages. (a) The parties hereto agree that the Holders of Transfer Restricted Securities will suffer damages if the Issuers fail to fulfill their obligations under Section 1 or Section 2, as applicable, and that it would not be feasible to ascertain the extent of such damages. Accordingly, if (i) the applicable Registration Statement is not filed with the Commission on or prior to 90 days after the Issue Date, (ii) the Exchange Offer Registration Statement or the Shelf Registration Statement, as the case may be, is not declared effective within 150 days after the Issue Date (or in the case of a Shelf Registration Statement required to be filed in response to a change in law or the applicable interpretations of Commission's staff, if later, within 45 days after publication of the change in law or interpretation), (iii) the Registered Exchange Offer is not consummated on or prior to 180 days after the Issue Date, or (iv) the Shelf Registration Statement is filed and declared effective within 150 days after the Issue Date (or in the case of a Shelf Registration Statement required to be filed in response to a change in law or the applicable interpretations of Commission's staff, if later, within 45 days after publication of the change in law or interpretation) but shall thereafter cease to be effective (at any time that the Issuers are obligated to maintain the effectiveness thereof) without being succeeded within 60 days by an additional Registration Statement filed and declared effective (each such event referred to in clauses (i) through (iv), a "Registration Default"), the Issuers will be obligated to pay liquidated damages to each Holder of Transfer Restricted Securities, during the period of one or more such Registration Defaults, in an amount equal to $ 0.192 per week per $1,000 principal amount of Transfer Restricted Securities held by such Holder until (i) the applicable Registration Statement is filed, (ii) the Exchange Offer Registration Statement is declared effective and the Registered Exchange Offer is consummated, (iii) the Shelf Registration Statement is declared effective or (iv) the Shelf Registration Statement again becomes effective, as the case may be. Following the cure of all Registration Defaults, the accrual of liquidated damages will cease. As used herein, the term "Transfer Restricted Securities" means (i) each Note until the date on which such Note has been exchanged for a freely transferable Exchange Note in the Registered Exchange Offer, (ii) each Note or Private Exchange Note until the date on which it has been effectively registered under the Securities Act and disposed of in accordance with the Shelf Registration Statement or (iii) each Note or Private Exchange Note until the date on which it is distributed to the public pursuant to Rule 144 under the Securities Act or is saleable pursuant to Rule 144(k) under the Securities Act. Notwithstanding anything to the contrary in this Section 3(a), the Issuers shall not be required to pay liquidated damages to a Holder of Transfer Restricted Securities if such Holder failed to comply with its obligations to make the representations set forth in the second to last paragraph of Section 1 or failed to provide the information required to be provided by it, if any, pursuant to Section 4(n).

(b) The Issuers shall notify the Trustee and the Paying Agent under the Indenture immediately upon the happening of each and every Registration Default. The Issuers shall pay the liquidated damages due on the Transfer Restricted Securities by depositing with the Paying Agent (which may not be the Issuers for these purposes), in trust, for the benefit of the Holders thereof, prior to 10:00 a.m., New York City time, on the next interest payment date specified by the Indenture and the Notes, sums sufficient to pay the liquidated damages then due. The liquidated damages due shall be payable on each interest payment date specified by the Indenture and the Notes to the record holder entitled to receive the interest payment to be made on such date. Each obligation to pay liquidated damages shall be deemed to accrue from and including the date of the applicable Registration Default.

(c) The parties hereto agree that the liquidated damages provided for in this Section 3 constitute a reasonable estimate of and are intended to constitute the sole damages that will be suffered by Holders of Transfer Restricted Securities by reason of the failure of (i) the Shelf Registration Statement or the Exchange Offer Registration Statement to be filed, (ii) the Shelf Registration Statement to remain effective or (iii) the Exchange Offer Registration Statement to be declared effective and the Registered Exchange Offer to be consummated, in each case to the extent required by this Agreement.

4. Registration Procedures. In connection with any Registration Statement, the following provisions shall apply:

(a) The Issuers shall (i) furnish to the Initial Purchaser, prior to the filing thereof with the Commission, a copy of the Registration Statement and each amendment thereof and each supplement, if any, to the prospectus included therein and shall use its reasonable best efforts to reflect in each such document, when so filed with the Commission, such comments as the Initial Purchaser may reasonably propose; (ii) include the information set forth in Exhibit A hereto on the cover, in Exhibit B hereto in the "Exchange Offer Procedures" section and the "Purpose of the Exchange Offer" section and in Exhibit C hereto in the "Plan of Distribution" section of the prospectus forming a part of the Exchange Offer Registration Statement, and include the information set forth in Exhibit D hereto in the Letter of Transmittal delivered pursuant to the Registered Exchange Offer; and (iii) if requested by the Initial Purchaser, include the information required by Items 507 or 508 of Regulation S-K, as applicable, in the prospectus forming a part of the Exchange Offer Registration Statement.

(b) The Issuers shall advise the Initial Purchaser, each Exchanging Dealer and the Holders (if applicable) and, if requested by any such person, confirm such advice in writing (which advice pursuant to clauses (ii)-(v) hereof shall be accompanied by an instruction to suspend the use of the prospectus until the requisite changes have been made):

(i) when any Registration Statement and any amendment thereto has been filed with the Commission and when such Registration Statement or any post-effective amendment thereto has become effective;

(ii) of any request by the Commission for amendments or supplements to any Registration Statement or the prospectus included therein or for additional information;

(iii) of the issuance by the Commission of any stop order suspending the effectiveness of any Registration Statement or the initiation of any proceedings for that purpose;

(iv) of the receipt by the Issuers of any notification with respect to the suspension of the qualification of the Notes, the Exchange Notes or the Private Exchange Notes for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose; and

(v) of the happening of any event that requires the making of any changes in any Registration Statement or the prospectus included therein in order that the statements therein are not misleading and do not omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading.

(c) The Issuers will make every reasonable effort to obtain the withdrawal at the earliest possible time of any order suspending the effectiveness of any Registration Statement.

(d) The Issuers will furnish to each Holder of Transfer Restricted Notes included within the coverage of any Shelf Registration Statement, without charge, at least one conformed copy of such Shelf Registration Statement and any post-effective amendment thereto, including financial statements and schedules and, if any such Holder so requests in writing, all exhibits thereto (including those, if any, incorporated by reference).

(e) The Issuers will, during the Shelf Registration Period, promptly deliver to each Holder of Transfer Restricted Securities included within the coverage of any Shelf Registration Statement, without charge, as many copies of the prospectus (including each preliminary prospectus) included in such Shelf Registration Statement and any amendment or supplement thereto as such Holder may reasonably request; and the Issuers consent to the use of such prospectus or any amendment or supplement thereto by each of the selling Holders of Transfer Restricted Securities in connection with the offer and sale of the Transfer Restricted Securities covered by such prospectus or any amendment or supplement thereto.

(f) The Issuers will furnish to the Initial Purchaser and each Exchanging Dealer, and to any other Holder who so requests, without charge, at least one conformed copy of the Exchange Offer Registration Statement and any post-effective amendment thereto, including financial statements and schedules and, if the Initial Purchaser or Exchanging Dealer or any such Holder so requests in writing, all exhibits thereto (including those, if any, incorporated by reference).

(g) The Issuers will, during the Exchange Offer Registration Period or the Shelf Registration Period, as applicable, promptly deliver to the Initial Purchaser, each Exchanging Dealer and such other persons that are required to deliver a prospectus following the Registered Exchange Offer, without charge, as many copies of the final prospectus included in the Exchange Offer Registration Statement or the Shelf Registration Statement and any amendment or supplement thereto as the Initial Purchaser, Exchanging Dealer or other persons may reasonably request; and the Issuers consent to the use of such prospectus or any amendment or supplement thereto by the Initial Purchaser, Exchanging Dealer or other persons, as applicable, as aforesaid.

(h) Prior to the effective date of any Registration Statement, the Issuers will use their reasonable best efforts to register or qualify, or cooperate with the Holders of Notes, Exchange Notes or Private Exchange Notes included therein and their respective counsel in connection with the registration or qualification of, such Notes, Exchange Notes or Private Exchange Notes for offer and sale under the securities or Blue Sky laws of such jurisdictions as any such Holder reasonably requests in writing and do any and all other acts or things necessary or advisable to enable the offer and sale in such jurisdictions of the Notes, Exchange Notes or Private Exchange Notes covered by such Registration Statement; *provided that* the Issuers will not be required to qualify generally to do business in any jurisdiction where they are not then so qualified or to take any action which would subject them to general service of process or to taxation in any such jurisdiction where they are not then so subject.

(i) The Issuers will cooperate with the Holders of Notes, Exchange Notes or Private Exchange Notes to facilitate the timely preparation and delivery of certificates representing Notes, Exchange Notes or Private Exchange Notes to be sold pursuant to any Registration Statement free of any restrictive legends and in such denominations and registered in such names as the Holders thereof may request in writing prior to sales of Notes, Exchange Notes or Private Exchange Notes pursuant to such Registration Statement.

(j) If any event contemplated by Section 4(b)(ii) through (v) occurs during the period for which the Issuers are required to maintain an effective Registration Statement, the Issuers will promptly prepare and file with the Commission a post-effective amendment to the Registration Statement or a supplement to the related prospectus or file any other required document so that, as thereafter delivered to purchasers of the Notes, Exchange Notes or Private Exchange Notes from a Holder, the prospectus will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) Not later than the effective date of the applicable Registration Statement, the Issuers will provide a CUSIP number for the Notes, the Exchange Notes and the Private Exchange Notes, as the case may be, and provide the applicable trustee with printed certificates for the Notes, the Exchange Notes or the Private Exchange Notes, as the case may be, in a form eligible for deposit with The Depository Trust Company.

(l) The Issuers will comply with all applicable rules and regulations of the Commission and will make generally available to their security holders as soon as practicable after the effective date of the applicable Registration Statement an earning statement satisfying the provisions of Section 11(a) of the Securities Act; provided that in no event shall such earning statement be delivered later than 45 days after the end of a 12-month period (or 90 days, if such period is a fiscal year) beginning with the first month of the Issuers' first fiscal quarter commencing after the effective date of the applicable Registration Statement, which statement shall cover such 12-month period.

(m) The Issuers will cause the Indenture or the Exchange Notes Indenture, as the case may be, to be qualified under the Trust Indenture Act as required by applicable law in a timely manner.

(n) The Issuers may require each Holder of Transfer Restricted Securities to be registered pursuant to any Shelf Registration Statement to furnish to the Issuers such information concerning the Holder and the distribution of such Transfer Restricted Notes as the Issuers may from time to time reasonably require for inclusion in such Shelf Registration Statement, and the Issuers may exclude from such registration the Transfer Restricted Securities of any Holder that fails to furnish such information within a reasonable time after receiving such request.

(o) In the case of a Shelf Registration Statement, each Holder of Transfer Restricted Securities to be registered pursuant thereto agrees by acquisition of such Transfer Restricted Securities that, upon receipt of any notice from the Issuers pursuant to Section 4(b)(ii) through (v), such Holder will discontinue disposition of such Transfer Restricted Securities until such Holder's receipt of copies of the supplemental or amended prospectus contemplated by Section 4(j) or until advised in writing (the "Advice") by the Issuers that the use of the applicable prospectus may be resumed. If the Issuers shall give any notice under Section 4(b)(ii) through (v) during the period that the Issuers are required to maintain an effective Registration Statement (the "Effectiveness Period"), such Effectiveness Period shall be extended by the number of days during such period from and including the date of the giving of such notice to and including the date when each seller of Transfer Restricted Securities covered by such Registration Statement shall have received (x) the copies of the supplemental or amended prospectus contemplated by Section 4(j) (if an amended or supplemental prospectus is required) or (y) the Advice (if no amended or supplemental prospectus is required).

(p) In the case of a Shelf Registration Statement, the Issuers shall enter into such customary agreements (including, if requested, an underwriting agreement in customary form) and take all such other action, if any, as Holders of a majority in aggregate principal amount of the Notes, Exchange Notes and Private Exchange Notes being sold or the managing underwriters (if any) shall reasonably request in order to facilitate any disposition of Notes, Exchange Notes or Private Exchange Notes pursuant to such Shelf Registration Statement.

(q) In the case of a Shelf Registration Statement, the Issuers shall (i) make reasonably available for inspection by a representative of, and Special Counsel (as defined below) acting for, Holders of a majority in aggregate principal amount of the Notes, Exchange Notes and Private Exchange Notes being sold and any underwriter participating in any disposition of Notes, Exchange Notes or Private Exchange Notes pursuant to such Shelf Registration Statement, all relevant financial and other records, pertinent corporate documents and properties of the Issuers and the Subsidiaries and (ii) use their reasonable best efforts to have its officers, directors, employees, accountants and counsel supply all relevant information reasonably requested by such representative, Special Counsel or any such underwriter (an "Inspector") in connection with such Shelf Registration Statement.

(r) In the case of a Shelf Registration Statement, the Issuers shall, if requested by Holders of a majority in aggregate principal amount of the Notes, Exchange Notes and Private Exchange Notes being sold, their Special Counsel or the managing underwriters (if any) in connection with such Shelf Registration Statement, use their reasonable best efforts to cause (i) their counsel to deliver an opinion relating to the Shelf Registration Statement and the Notes, Exchange Notes or Private Exchange Notes, as applicable, in customary form, (ii) their officers to execute and deliver all customary documents and certificates requested by Holders of a majority in aggregate principal amount of the Notes, Exchange Notes and Private Exchange Notes being sold, their Special Counsel or the managing underwriters (if any) and (iii) their independent public accountants to provide a comfort letter or letters in customary form, subject to receipt of appropriate documentation as contemplated, and only if permitted, by Statement of Auditing Standards No. 72.

5. Registration Expenses. The Issuers will bear all expenses incurred in connection with the performance of their obligations under Sections 1, 2, 3 and 4 and the Issuers will reimburse the Initial Purchaser and the Holders for the reasonable fees and disbursements of one firm of attorneys (in addition to any local counsel) chosen by the Holders of a majority in aggregate principal amount of the Notes, the Exchange Notes and the Private Exchange Notes to be sold pursuant to each Registration Statement (the "Special Counsel") acting for the Initial Purchaser or Holders in connection therewith (other than reimbursement in connection with the Registered Exchange Offer).

6. Indemnification. (a) In the event of a Shelf Registration Statement or in connection with any prospectus delivery pursuant to an Exchange Offer Registration Statement by the Initial Purchaser or Exchanging Dealer, as applicable, the Issuers shall indemnify and hold harmless each Holder (including, without limitation, the Initial Purchaser or Exchanging Dealer), its affiliates, their respective officers, directors, employees, representatives and agents, and each person, if any, who controls such Holder within the meaning of the Securities Act or the Exchange Act (collectively referred to for purposes of this Section 6 and Section 7 as a Holder) from and against any loss, claim, damage or liability, joint or several, or any action in respect thereof (including, without limitation, any loss, claim, damage, liability or action relating to purchases and sales of Notes, Exchange Notes or Private Exchange Notes), to which that Holder may become subject, whether commenced or threatened, under the Securities Act, the Exchange Act, any other federal or state statutory law or regulation, at common law or otherwise, insofar as such loss, claim, damage, liability or action arises out of, or is based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in any such Registration Statement or any prospectus forming part thereof or in any amendment or supplement thereto or (ii) the omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, and shall reimburse each Holder promptly upon demand for any legal or other expenses reasonably incurred by that Holder in connection with investigating or defending or preparing to defend against or appearing as a third party witness in connection with any such loss, claim, damage, liability or action as such expenses are incurred; provided, however, that the Issuers shall not be liable in any such case to the extent that any such loss, claim, damage, liability or action arises out of, or is based upon, an untrue statement or alleged untrue statement in or omission or alleged omission from any of such documents in reliance upon and in conformity with any Holders' Information; and provided, further, that with respect to any such untrue statement in or omission from any related preliminary prospectus, the indemnity agreement contained in this Section 6(a) shall not inure to the benefit of any Holder from whom the person asserting any such loss, claim, damage, liability or action received Notes, Exchange Notes or Private Exchange Notes to the extent that such loss, claim, damage, liability or action of or with respect to such Holder results from the fact that both (A) a copy of the final prospectus was not sent or given to such person at or prior to the written confirmation of the sale of such Notes, Exchange Notes or Private Exchange Notes to such person and (B) the untrue statement in or omission from the related preliminary prospectus was corrected in the final prospectus unless, in either case, such failure to deliver the final prospectus was a result of non-compliance by the Issuers with Section 4(d), 4(e), 4(f) or 4(g).

(b) In the event of a Shelf Registration Statement, each Holder shall indemnify and hold harmless the Issuers, their affiliates, their respective officers, directors, employees, representatives and agents, and each person, if any, who controls the Issuers within the meaning of the Securities Act or the Exchange Act (collectively referred to for purposes of this Section 6(b) and Section 7 as the Issuers), from and against any loss, claim, damage or liability, joint or several, or any action in respect thereof, to which the Issuers may become subject, whether commenced or threatened, under the Securities Act, the Exchange Act, any other federal or state statutory law or regulation, at common law or otherwise, insofar as such loss, claim, damage, liability or action arises out of, or is based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in any such Registration Statement or any prospectus forming part thereof or in any amendment or supplement thereto or (ii) the omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, but in each case only to the extent that the untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with any Holders' Information furnished to the Issuers by such Holder, and shall reimburse the Issuers for any legal or other expenses reasonably incurred by the Issuers in connection with investigating or defending or preparing to defend against or appearing as a third party witness in connection with any such loss, claim, damage, liability or action as such expenses are incurred; provided, however, that no such Holder shall be liable for any indemnity claims hereunder in excess of the amount of net proceeds received by such Holder from the sale of Notes, Exchange Notes or Private Exchange Notes pursuant to such Shelf Registration Statement.

(c) Promptly after receipt by an indemnified party under this Section 6 of notice of any claim or the commencement of any action, the indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party pursuant to Section 6(a) or 6(b), notify the indemnifying party in writing of the claim or the commencement of that action; provided, however, that the failure to notify the indemnifying party shall not relieve it from any liability which it may have under this Section 6 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided, further, that the failure to notify the indemnifying party shall not relieve it from any liability which it may have to an indemnified party otherwise than under this Section 6. If any such claim or action shall be brought against an indemnified party, and it shall notify the indemnifying party thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it wishes, jointly with any other similarly notified indemnifying party, to assume the defense thereof with counsel reasonably satisfactory to the indemnified party. After notice from the indemnifying party to the indemnified party of its election to assume the defense of such claim or action, the indemnifying party shall not be liable to the indemnified party under this Section 6 for any legal or other expenses subsequently incurred by the indemnified party in connection with the defense thereof other than the reasonable costs of investigation; provided, however, that an indemnified party shall have the right to employ its own counsel in any such action, but the fees, expenses and other charges of such counsel for the indemnified party will be at the expense of such indemnified party unless (1) the employment of counsel by the indemnified party has been authorized in writing by the indemnifying party, (2) the indemnified party has reasonably concluded (based upon advice of counsel to the indemnified party) that there may be legal defenses available to it or other indemnified parties that are different from or in addition to those available to the indemnifying party, (3) a conflict or potential conflict exists (based upon advice of counsel to the indemnified party) between the indemnified party and the indemnifying party (in which case the indemnifying party will not have the right to direct the defense of such action on behalf of the indemnified party) or (4) the indemnifying party has not in fact employed counsel reasonably satisfactory to the indemnified party to assume the defense of such action within a reasonable time after receiving notice of the commencement of the action, in each of which cases the reasonable fees, disbursements and other charges of counsel will be at the expense of the indemnifying party or parties. It is understood that the indemnifying party or parties shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable fees, disbursements and other charges of more than one separate firm of attorneys (in addition to any local counsel) at any one time for all such indemnified party or parties. Each indemnified party, as a condition of the indemnity agreements contained in Sections 6(a) and 6(b), shall use all reasonable efforts to cooperate with the indemnifying party in the defense of any such action or claim. No indemnifying party shall be liable for any settlement of any such action effected without its written consent (which consent shall not be unreasonably withheld), but if settled with its written consent or if there be a final judgment for the plaintiff in any such action, the indemnifying party agrees to indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment. No indemnifying party shall, without the prior written consent of the indemnified party (which consent shall not be unreasonably withheld), effect any settlement of any pending or threatened proceeding in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such proceeding.

7. Contribution. If the indemnification provided for in Section 6 is unavailable or insufficient to hold harmless an indemnified party under Section 6(a) or 6(b), then each indemnifying party shall, in lieu of indemnifying such indemnified party, contribute to the amount paid or payable by such indemnified party as a result of such loss, claim, damage or liability, or action in respect thereof, (i) in such proportion as shall be appropriate to reflect the relative

benefits received by the Issuers from the offering and sale of the Notes, on the one hand, and a Holder with respect to the sale by such Holder of Notes, Exchange Notes or Private Exchange Notes, on the other, or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Issuers on the one hand and such Holder on the other with respect to the statements or omissions that resulted in such loss, claim, damage or liability, or action in respect thereof, as well as any other relevant equitable considerations. The relative benefits received by the Issuers on the one hand and a Holder on the other with respect to such offering and such sale shall be deemed to be in the same proportion as the total net proceeds from the offering of the Notes (before deducting expenses) received by or on behalf of the Issuers as set forth in the table on the cover of the Offering Memorandum, on the one hand, bear to the total proceeds received by such Holder with respect to its sale of Notes, Exchange Notes or Private Exchange Notes, on the other. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to the Issuers or information supplied by the Issuers on the one hand or to any Holders' Information supplied by such Holder on the other, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The parties hereto agree that it would not be just and equitable if contributions pursuant to this Section 7 were to be determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to herein. The amount paid or payable by an indemnified party as a result of the loss, claim, damage or liability, or action in respect thereof, referred to above in this Section 7 shall be deemed to include, for purposes of this Section 7, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending or preparing to defend any such action or claim. Notwithstanding the provisions of this Section 7, an indemnifying party that is a Holder of Notes, Exchange Notes or Private Exchange Notes shall not be required to contribute any amount in excess of the amount by which the total price at which the Notes, Exchange Notes or Private Exchange Notes sold by such indemnifying party to any purchaser exceeds the amount of any damages which such indemnifying party has otherwise paid or become liable to pay by reason of any untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

8. Rules 144 and 144A. The Issuers shall use their reasonable best efforts to file the reports required to be filed by it under the Securities Act and the Exchange Act in a timely manner and, if at any time the Issuers are not required to file such reports, it will, upon the written request of any Holder of Transfer Restricted Securities, make publicly available other information so long as necessary to permit sales of such Holder's securities pursuant to Rules 144 and 144A. The Issuers covenant that they will take such further action as any Holder of Transfer Restricted Securities may reasonably request, all to the extent required from time to time to enable such Holder to sell Transfer Restricted Securities without registration under the Securities Act within the limitation of the exemptions provided by Rules 144 and 144A (including, without limitation, the requirements of Rule 144A(d)(4)). Upon the written request of any Holder of Transfer Restricted Securities, the Issuers shall deliver to such Holder a written statement as to whether it has complied with such requirements. Notwithstanding the foregoing, nothing in this Section 8 shall be deemed to require the Issuers to register any of their securities pursuant to the Exchange Act.

9. Underwritten Registrations. If any of the Transfer Restricted Securities covered by any Shelf Registration Statement are to be sold in an underwritten offering, the investment banker or investment bankers and manager or managers that will administer the offering will be selected by the Holders of a majority in aggregate principal amount of such Transfer Restricted Securities included in such offering, subject to the consent of the Issuers (which shall not be unreasonably withheld or delayed), and such Holders shall be responsible for all underwriting commissions and discounts in connection therewith.

No person may participate in any underwritten registration hereunder unless such person (i) agrees to sell such person's Transfer Restricted Securities on the basis reasonably provided in any underwriting arrangements approved by the persons entitled hereunder to approve such arrangements and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements.

10. Miscellaneous. (a) Amendments and Waivers. The provisions of this Agreement may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given, unless the Issuers have obtained the written consent of Holders of a majority in aggregate principal amount of the Notes, the Exchange Notes and the Private Exchange Notes, taken as a single class. Notwithstanding the foregoing, a waiver or consent to depart from the provisions hereof with respect to a matter that relates exclusively to the rights of Holders whose Notes, Exchange Notes or Private Exchange Notes are being sold pursuant to a Registration Statement and that does not directly or indirectly affect the rights of other Holders may be given by Holders of a majority in aggregate principal amount of the Notes, the Exchange Notes and the Private Exchange Notes being sold by such Holders pursuant to such Registration Statement.

(b) Notices. All notices and other communications provided for or permitted hereunder shall be made in writing by hand-delivery, first-class mail, telecopier or air courier guaranteeing next-day delivery:

(1) if to a Holder, at the most current address given by such Holder to the Issuers in accordance with the provisions of this Section 10(b), which address initially is, with respect to each Holder, the address of such Holder maintained by the Registrar under the Indenture, with a copy in like manner to Chase Securities Inc.;

(2) if to the Initial Purchaser, initially at its address set forth in the Purchase Agreement; and

(3) if to the Issuers, initially at the address of the Issuers set forth in the Purchase Agreement.

All such notices and communications shall be deemed to have been duly given: when delivered by hand, if personally delivered; one business day after being delivered to a next-day air courier; five business days after being deposited in the mail; and when receipt is acknowledged by the recipient's telecopier machine, if sent by telecopier.

(c) Successors And Assigns. This Agreement shall be binding upon the Issuers and their successors and assigns.

(d) Counterparts. This Agreement may be executed in any number of counterparts (which may be delivered in original form or by telecopier) and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

(e) Definition of Terms. For purposes of this Agreement, (a) the term "business day" means any day on which the New York Stock Exchange, Inc. is open for trading, (b) the term "subsidiary" has the meaning set forth in Rule 405 under the Securities Act and (c) except where otherwise expressly provided, the term "affiliate" has the meaning set forth in Rule 405 under the Securities Act.

(f) Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(g) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

(h) Remedies. In the event of a breach by the Issuers or by any Holder of any of their obligations under this Agreement, each Holder or the Issuers, as the case may be, in addition to being entitled to exercise all rights granted by law, including recovery of damages (other than the recovery of damages for a breach by the Issuers of their obligations under Sections 1 or 2 hereof for which liquidated damages have been paid pursuant to Section 3 hereof), will be entitled to specific performance of its rights under this Agreement. The Issuers and each Holder agree that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by them of any of the provisions of this Agreement and hereby further agree that, in the event of any action for specific performance in respect of such breach, they shall waive the defense that a remedy at law would be adequate.

(i) No Inconsistent Agreements. The Issuers represent, warrant and agree that (i) they have not entered into, shall not, on or after the date of this Agreement, enter into any agreement that is inconsistent with the rights granted to the Holders in this Agreement or otherwise conflicts with the provisions hereof, (ii) they have not previously entered into any agreement which remains in effect granting any registration rights with respect to any of their debt securities to any person and (iii) without limiting the generality of the foregoing, without the written consent of the Holders of a majority in aggregate principal amount of the then outstanding Transfer Restricted Notes, they shall not grant to any person the right to request the Issuers to register any debt securities of the Issuers under the Securities Act unless the rights so granted are not in conflict or inconsistent with the provisions of this Agreement.

(j) No Piggyback on Registrations. Neither the Issuers nor any of their security holders (other than the Holders of Transfer Restricted Securities in such capacity) shall have the right to include any securities of the Issuers in any Shelf Registration or Registered Exchange Offer other than Transfer Restricted Notes.

(k) Severability. The remedies provided herein are cumulative and not exclusive of any remedies provided by law. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their reasonable best efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

Please confirm that the foregoing correctly sets forth the agreement among the Issuers and the Initial Purchaser.

Very truly yours,

MEDIACOM LLC

By______________________________
Name:
Title:

MEDIACOM CAPITAL CORPORATION

By______________________________
Name:
Title:

Accepted:

CHASE SECURITIES INC.

By____________________________
Authorized Signatory

EXHIBIT A

Each broker-dealer that receives Exchange Notes for its own account pursuant to the Registered Exchange Offer must acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Notes. The Letter of Transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. This Prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of Exchange Notes received in exchange for Notes where such Notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. The Issuers have agreed that, for a period of 180 days after the Expiration Date (as defined herein), they will make this Prospectus available to any broker-dealer for use in connection with any such resale. See "Plan of Distribution."

EXHIBIT B

Each broker-dealer that receives Exchange Notes for its own account in exchange for Notes, where such Notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Notes. See "Plan of Distribution".

PLAN OF DISTRIBUTION

Each broker-dealer that receives Exchange Notes for its own account pursuant to the Registered Exchange Offer must acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Notes. This Prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of Exchange Notes received in exchange for Notes where such Notes were acquired as a result of market-making activities or other trading activities. The Issuers have agreed that, for a period of 180 days after the Expiration Date, they will make this prospectus, as amended or supplemented, available to any broker-dealer for use in connection with any such resale. In addition, until _______________, 199_, all dealers effecting transactions in the Exchange Notes may be required to deliver a prospectus.

The Issuers will not receive any proceeds from any sale of Exchange Notes by broker-dealers. Exchange Notes received by broker-dealers for their own account pursuant to the Registered Exchange Offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the Exchange Notes or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or at negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such broker-dealer or the purchasers of any such Exchange Notes. Any broker-dealer that resells Exchange Notes that were received by it for its own account pursuant to the Registered Exchange Offer and any broker or dealer that participates in a distribution of such Exchange Notes may be deemed to be an "underwriter" within the meaning of the Securities Act and any profit on any such resale of Exchange Notes and any commission or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The Letter of Transmittal states that, by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

For a period of 180 days after the Expiration Date the Issuers will promptly send additional copies of this Prospectus and any amendment or supplement to this Prospectus to any broker-dealer that requests such documents in the Letter of Transmittal. The Issuers have agreed to pay all expenses incident to the Registered Exchange Offer (including the expenses of one counsel for the Holders of the Notes) other than commissions or concessions of any broker-dealers and will indemnify the Holders of the Notes (including any broker-dealers) against certain liabilities, including liabilities under the Securities Act.

EXHIBIT D

- o CHECK HERE IF YOU ARE A BROKER-DEALER AND WISH TO RECEIVE 10 ADDITIONAL COPIES OF THE PROSPECTUS AND 10 COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO.

  Name:
  Address:

If the undersigned is not a broker-dealer, the undersigned represents that it is not engaged in, and does not intend to engage in, a distribution of Exchange Notes. If the undersigned is a broker-dealer that will receive Exchange Notes for its own account in exchange for Notes that were acquired as a result of market-making activities or other trading activities, it acknowledges that it will deliver a prospectus in connection with any resale of such Exchange Notes; however, by so acknowledging and by delivering a prospectus, the undersigned will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

EXHIBIT 4.1(c)

MEDIACOM LLC
MEDIACOM CAPITAL CORPORATION

$200,000,000

8 1/2% Senior Notes due 2008

PURCHASE AGREEMENT

March 27, 1998

CHASE SECURITIES INC.
270 Park Avenue, 4th floor
New York, New York 10017

Ladies and Gentlemen:

Mediacom LLC, a New York limited liability company ("Mediacom" and, together with its direct and indirect Subsidiaries (as defined herein), and Mediacom Capital (as defined herein), the "Company"), and Mediacom Capital Corporation, a New York corporation and a wholly-owned subsidiary of Mediacom ("Mediacom Capital" and, together with Mediacom, the "Issuers"), propose to issue and sell $200,000,000 aggregate principal amount of their 8 1/2% Senior Notes due 2008 (the "Notes"). The Notes will be issued pursuant to an Indenture to be dated as of April 1, 1998 (the "Indenture") between the Issuers and Bank of Montreal Trust Company, as trustee (the "Trustee"). The Issuers hereby confirm their agreement with Chase Securities Inc. (the "Initial Purchaser") concerning the purchase of the Notes from the Issuers by the Initial Purchaser.

The Notes will be offered and sold to the Initial Purchaser without being registered under the Securities Act of 1933, as amended (the "Securities Act"), in reliance upon an exemption therefrom. The Issuers have prepared a preliminary offering memorandum dated March 12, 1998 (the "Preliminary Offering Memorandum") and will prepare an offering memorandum dated the date hereof (the "Offering Memorandum") setting forth information concerning the Issuers and the Notes. Copies of the Preliminary Offering Memorandum have been, and copies of the Offering Memorandum will be, delivered by the Issuers to the Initial Purchaser pursuant to the terms of this Agreement. Any references herein to the Preliminary Offering Memorandum and the Offering Memorandum shall be deemed to include all amendments and supplements thereto, unless otherwise noted. The Issuers hereby confirm that they have authorized the use of the Preliminary Offering Memorandum and the Offering Memorandum in connection with the offering and resale of the Notes by the Initial Purchaser in accordance with Section 2.

Holders of the Notes (including the Initial Purchaser and its direct and indirect transferees) will be entitled to the benefits of an Exchange and Registration Rights Agreement, substantially in the form attached hereto as Annex A (the "Registration Rights Agreement"), pursuant to which the Issuers will agree to file with the Securities and Exchange Commission (the "Commission") (i) a registration statement under the Securities Act (the "Exchange Offer Registration Statement") registering an issue of senior notes of the Issuers (the "Exchange Notes") which are identical in all material respects to the Notes (except that the Exchange Notes will not contain terms with respect to transfer restrictions) and (ii) under certain circumstances, a shelf registration statement pursuant to Rule 415 under the Securities Act (the "Shelf Registration Statement").

Capitalized terms used but not defined herein shall have the meanings given to such terms in the Offering Memorandum.

1. Representations, Warranties and Agreements of the Issuers. The Issuers represent and warrant to, and agree with, the Initial Purchaser on and as of the date hereof and the Closing Date (as defined in Section 3) that:

(a) Each of the Preliminary Offering Memorandum and the Offering Memorandum, as of its respective date, did not, and on the Closing Date the Offering Memorandum will not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Issuers make no representation or warranty as to information contained in or omitted from the Preliminary Offering Memorandum or the Offering Memorandum in reliance upon and in conformity with written information relating to the Initial Purchaser furnished to the Issuers by or on behalf of the Initial Purchaser specifically for use therein (the "Initial Purchaser's Information").

(b) Each of the Preliminary Offering Memorandum and the Offering Memorandum, as of its respective date, contains all of the information that, if requested by a prospective purchaser of the Notes, would be required to be provided to such prospective purchaser pursuant to Rule 144A(d)(4) under the Securities Act.

(c) Assuming the accuracy of the representations and warranties of the Initial Purchaser contained in Section 2 and its compliance with the agreements set forth therein, it is not necessary, in connection with the issuance and sale of the Notes to the Initial Purchaser and the offer, resale and delivery of the Notes by the Initial Purchaser in the manner contemplated by this Agreement and the Offering Memorandum, to register the Notes under the Securities Act or to qualify the Indenture under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act").

(d) Each of Mediacom, Mediacom California LLC ("Mediacom California"), Mediacom Arizona LLC ("Mediacom Arizona"), Mediacom Delaware LLC ("Mediacom Delaware") and Mediacom Southeast LLC ("Mediacom Southeast" and together with Mediacom California, Mediacom Delaware and Mediacom Arizona, the "Subsidiaries"), has been duly formed and is validly existing as a limited liability company in good standing under the laws of its respective jurisdiction of formation, is duly qualified to do business and is in good standing as a foreign limited liability company in each jurisdiction in which its respective ownership or lease of property or the conduct of its businesses requires such qualification, and has all power and authority necessary to own or hold its properties and to conduct the businesses in which it is engaged, except where the failure to so qualify or have such power or authority would not, singularly or in the aggregate, have a material adverse effect on the condition (financial or otherwise), or in the results of operations, business affairs, management or business prospects of the Issuers and the Subsidiaries taken as a whole, whether or not arising in the ordinary course of business (a "Material Adverse Effect"). Mediacom's only subsidiaries are Mediacom Capital and the Subsidiaries.

(e) Mediacom Capital has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of New York, is duly qualified to do business and is in good standing as a foreign corporation in each jurisdiction in which its ownership or lease of property or the conduct of its businesses requires such qualification, and has all power and authority necessary to own or hold its properties and to conduct the businesses in which it is engaged, except where the failure to so qualify or have such power or authority would not, singularly or in the aggregate, have a Material Adverse Effect. Mediacom Capital has no subsidiaries.

(f) The Issuers and the Subsidiaries have an authorized capitalization as set forth in the Offering Memorandum under the heading "Capitalization"; all of the limited liability membership interests in Mediacom have been duly and validly authorized and issued and are fully paid and non-assessable and were not issued in violation of any preemptive or similar rights; the limited liability membership interests in Mediacom conform in all material respects to the description thereof contained in the Offering Memorandum. Except as described in the Offering Memorandum, all of the limited liability membership interests in Mediacom California, Mediacom Southeast, Mediacom Arizona and Mediacom Delaware have been duly and validly authorized and issued, are fully paid and non-assessable and are owned directly by Mediacom, free and clear of any lien, charge, encumbrance, security interest, restriction upon voting or transfer or any other claim of any third party. All of the outstanding shares of capital stock of Mediacom Capital have been duly and validly authorized and issued, are fully paid and non-assessable and are owned directly by Mediacom, free and clear of any lien, charge, encumbrance, security interest, restriction upon voting or transfer or any other claim of any third party.

(g) The Issuers have full right, power and authority to execute and deliver this Agreement, the Indenture, the Registration Rights Agreement, the Notes and the Exchange Notes (collectively, the "Transaction Documents") and to perform their obligations hereunder and thereunder; and all corporate action required to be taken for the due and proper authorization, execution and delivery of each of the Transaction Documents and the consummation of the transactions contemplated thereby have been duly and validly taken.

(h) This Agreement has been duly authorized, executed and delivered by the Issuers.

(i) The Registration Rights Agreement has been duly authorized by the Issuers and, when duly executed and delivered in accordance with its terms by each of the parties thereto, will constitute a valid and legally binding agreement of the Issuers enforceable against the Issuers in accordance with its terms, except to the extent that such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws affecting creditors' rights generally and by general equitable principles (whether considered in a proceeding in equity or at law); provided that no representation or warranty is made with respect to any provision of such agreement purporting to require indemnification of, or contribution to, the liability, losses, damages or claims of any person to the extent that such provision may be limited by applicable law.

(j) The Indenture has been duly authorized by the Issuers and, when duly executed and delivered in accordance with its terms by each of the parties thereto, will constitute a valid and legally binding agreement of the Issuers enforceable against the Issuers in accordance with its terms, except to the extent that such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws affecting creditors' rights generally and by general equitable principles (whether considered in a proceeding in equity or at law). On the Closing Date, the Indenture will conform in all material respects to the requirements of the Trust Indenture Act and the rules and regulations of the Commission applicable to an indenture which is qualified thereunder.

(k) The Notes, the Private Exchange Notes (as defined in the Registration Rights Agreement) and the Exchange Notes have been duly authorized by the Issuers and, when duly executed, authenticated, issued and delivered as provided in the Indenture and paid for as provided herein, will be duly and validly issued and outstanding and will constitute valid and legally binding obligations of the Issuers entitled to the benefits of the Indenture and enforceable against the Issuers in accordance with their terms, except to the extent that such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws affecting creditors' rights generally and by general equitable principles (whether considered in a proceeding in equity or at law).

(l) Each Transaction Document, the Operating Agreement, the Management Agreements (as defined below), the agreements comprising the Subsidiary Credit Facilities and the Seller Note conform in all material respects to the descriptions thereof contained in the Offering Memorandum.

(m) The execution, delivery and performance by the Issuers of each of the Transaction Documents, the issuance, authentication, sale and delivery of the Notes, the Private Exchange Notes and the Exchange Notes and compliance by the Issuers with the terms thereof and the consummation of the transactions contemplated by the Transaction Documents will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default or Repayment Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Issuers or the Subsidiaries pursuant to, any material indenture, mortgage, deed of trust, loan agreement or other material agreement or instrument to which the Issuers or the Subsidiaries is a party or by which the Issuers or the Subsidiaries is bound or to which any of the property or assets of the Issuers or the Subsidiaries is subject, nor will such actions result in any violation of the provisions of the charter, memorandum of association, by-laws, operating agreement, certificate of formation, articles of organization or limited liability company agreement, as applicable, of the Issuers or the Subsidiaries or any statute or any judgment, order, decree, rule or regulation of any court or arbitrator or governmental agency or body having jurisdiction over the Issuers or the Subsidiaries or any of their properties or assets including, without limitation, any law, statute, rule or regulation or any judgement, decree or order applicable to the cable television industry in general; and no consent, approval, authorization or order of, or filing or registration with, any such court or arbitrator or governmental agency or body under any such statute, judgment, order, decree, rule or regulation, including, without limitation, under the Communications Act of 1934, as amended (the "Communications Act"), the Cable Communications Policy Act of 1984 (the "1984 Cable Act"), the Cable Television Consumer Protection and Competition Act of 1992 (the "1992 Cable Act"), the Telecommunications Act of 1996 (the "1996 Telecom Act" and, together with the Communications Act, the 1984 Cable Act and the 1992 Cable Act, the "Cable Acts") or any order, rule or regulation of the Federal Communications Commission ("FCC") is required for the execution, delivery and performance by the Issuers of each of the Transaction Documents, the issuance, authentication, sale and delivery of the Notes, the Private Exchange Notes and the Exchange Notes and compliance by the Issuers with the terms thereof and the consummation of the transactions contemplated by the Transaction Documents, except for such consents, approvals, authorizations, orders, licenses, filings, registrations or qualifications (i) as have been obtained and are in full force and effect under the Cable Acts or any order, rule or regulation of the FCC and such as may be required under state securities or Blue Sky laws in connection with the purchase and resale of the Notes by the Initial Purchaser and (ii) as may be required to be obtained or made under the Securities Act and applicable state securities laws as provided in the Registration Rights Agreement. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by any of the Issuers or the Subsidiaries.

(n) Arthur Andersen LLP are independent certified public accountants with respect to the Issuers and the Subsidiaries within the meaning of the Securities Act and Rule 101 of the Code of Professional Conduct of the American Institute of Certified Public Accountants ("AICPA") and its interpretations and rulings thereunder. The historical financial statements (including the related notes) of the Issuers and the Subsidiaries contained in the Offering Memorandum comply in all material respects with the requirements applicable to a registration statement on Form S-1 under the Securities Act (except that certain supporting schedules are omitted); such financial statements have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods covered thereby and fairly present the financial position of the entities purported to be covered thereby at the respective dates indicated and the results of their operations and their cash flows for the respective periods indicated; and the financial information contained in the Offering Memorandum under the headings "Summary--Summary Historical and Pro Forma Financial and Operating Data", "Capitalization", "Selected Historical and Pro Forma Consolidated Financial and Operating Data", "Unaudited Pro Forma Consolidated Financial Data", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Management--Executive Compensation" are derived from the accounting records of the Company and the Cablevision Systems and fairly present the information purported to be shown thereby. The pro forma financial information contained in the Offering Memorandum has been prepared on a basis consistent with the historical financial statements contained in the Offering Memorandum (except for the pro forma adjustments specified therein), includes all material adjustments to the historical financial information required by Rule 11-02 of Regulation S-X under the Securities Act and the Exchange Act to reflect the transactions described in the Offering Memorandum, gives effect to assumptions made on a reasonable basis and fairly presents the historical and proposed transactions contemplated by the Offering Memorandum and the Transaction Documents. The other historical financial and statistical information and data included in the Offering Memorandum are, in all material respects, fairly presented.

(o) There are no legal or governmental proceedings pending to which the Issuers or the Subsidiaries is a party or of which any property or assets of the Issuers or the Subsidiaries is the subject which, singularly or in the aggregate, if determined adversely to the Issuers or the Subsidiaries, could reasonably be expected to have a Material Adverse Effect; and to the best knowledge of the Issuers, no such proceedings are threatened or contemplated by governmental authorities or threatened by others.

(p) No action has been taken and no statute, rule, regulation or order has been enacted, adopted or issued by any governmental agency or body which prevents the issuance of the Notes, the Private Exchange Notes or the Exchange Notes or suspends the sale of the Notes, the Private Exchange Notes or the Exchange Notes in any jurisdiction; no injunction, restraining order or order of any nature by any federal or state court of competent jurisdiction has been issued with respect to the Issuers or the Subsidiaries which would prevent or suspend the issuance or sale of the Notes, the Private Exchange Notes or the Exchange Notes or the use of the Preliminary Offering Memorandum or the Offering Memorandum in any jurisdiction; no action, suit or proceeding is pending against or, to the best knowledge of the Issuers, threatened against or affecting the Issuers or the Subsidiaries before any court or arbitrator or any governmental agency, body or official, domestic or foreign, which could reasonably be expected to interfere with or adversely affect the issuance of the Notes, the Private Exchange Notes or the Exchange Notes or in any manner draw into question the validity or enforceability of any of the Transaction Documents or any action taken or to be taken pursuant thereto; and the Issuers have complied with any and all requests by any securities authority in any jurisdiction for additional information to be included in the Preliminary Offering Memorandum and the Offering Memorandum.

(q) None of the Issuers or the Subsidiaries is (i) in violation of its charter, by-laws, memorandum of association, certificate of formation, articles of organization, operating agreement or limited liability company agreement, as applicable, (ii) in default in any material respect, and no event has occurred which, with notice or lapse of time or both, would constitute such a default, in the due performance or observance of any term, covenant or condition contained in any material indenture, mortgage, deed of trust, loan agreement or other material agreement or instrument to which it is a party or by which it is bound or to which any of its property or assets is subject or (iii) in violation in any material respect of any law, ordinance, governmental rule, regulation or court decree to which it or its property or assets may be subject, except in the case of clauses (ii) and (iii) above, such default or violation which would not, individually or in the aggregate, have a Material Adverse Effect.

(r) The Issuers and each of the Subsidiaries possess all material franchises, licenses, certificates, authorizations and permits issued by, and have made all declarations and filings with, the appropriate federal, state or local regulatory agencies, authorities or bodies, including the FCC, which are necessary or desirable for the ownership of their respective properties or the conduct of their respective businesses as described in the Offering Memorandum, except where the failure to possess or make the same would not, singularly or in the aggregate, have a Material Adverse Effect, and, except as described in the Offering Memorandum, none of the Issuers or the Subsidiaries has received notification of any revocation or modification of any such franchise, license, certificate, authorization or permit or has any reason to believe that any such franchise, license, certificate, authorization or permit will not be renewed in the ordinary course.

(s) The Issuers and each of the Subsidiaries have filed all federal, state and local income and franchise tax returns required to be filed through the date hereof and have paid all taxes due thereon, and no tax deficiency has been determined adversely to the Issuers or the Subsidiaries which has had (nor do the Issuers or the Subsidiaries have any knowledge of any tax deficiency which, if determined adversely to the Issuers or the Subsidiaries, could reasonably be expected to have) a Material Adverse Effect.

(t) None of the Issuers or the Subsidiaries is (i) an "investment company" or a company "controlled by" an investment company within the meaning of the Investment Company Act of 1940, as amended (the "Investment Company Act"), and the rules and regulations of the Commission thereunder or (ii) a "holding company" or a "subsidiary company" of a holding company or an "affiliate" thereof within the meaning of the Public Utility Holding Company Act of 1935, as amended.

(u) The Issuers and each of the Subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(v) The Issuers and each of the Subsidiaries have insurance covering their respective properties, operations, personnel and businesses, which insurance is in amounts and insures against such losses and risks as are commercially reasonable in light of their respective business and properties. None of the Issuers or the Subsidiaries has received notice from any insurer or agent of such insurer that capital improvements or other expenditures are required or necessary to be made in order to continue such insurance.

(w) The Issuers and each of the Subsidiaries own or possess adequate rights to use all material patents, patent applications, trademarks, service marks, trade names, trademark registrations, service mark registrations, copyrights, licenses and know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures) necessary for the conduct of their respective businesses, except where such ownership or possession would not have a Material Adverse Effect; and the conduct of their respective businesses will not conflict in any material respect with, and the Issuers and the Subsidiaries have not received any notice of any claim of conflict with, any such rights of others which would have a Material Adverse Effect.

(x) The Issuers and the Subsidiaries have good and sufficient and legal title in fee simple to, or have valid rights to lease or otherwise use, all items of real and personal property which are material to the business of the Issuers and the Subsidiaries, in each case free and clear of all liens, encumbrances, claims and defects and imperfections of title except as described in the Offering Memorandum and except such as (i) do not materially interfere with the use made and proposed to be made of such property by the Issuers and the Subsidiaries or (ii) could not reasonably be expected to have a Material Adverse Effect; and all of the easements, rights-of-way, leases and subleases material to the business of the Issuers and the Subsidiaries, and under which the Issuers and the Subsidiaries hold properties described in the Offering Memorandum, are in full force and effect, and none of the Issuers or the Subsidiaries has any notice of any material claim of any sort that has been asserted by anyone adverse to the rights of the Issuers or the Subsidiaries under any of the easements, rights-of-way, leases or subleases mentioned above, or affecting or questioning the rights of the Issuers or the Subsidiaries to the continued possession of the leased or subleased premises under any such lease or sublease, or to the continued use of the property under any such easement or right-of-way except such as could not reasonably be expected to have a Material Adverse Effect.

(y) No labor disturbance by or dispute with the employees of the Issuers or the Subsidiaries or, to the best knowledge of the Issuers is contemplated or threatened.

(z) No "prohibited transaction" (as defined in Section 406 of the Employee Retirement Income Security Act of 1974, as amended, including the regulations and published interpretations thereunder ("ERISA"), or Section 4975 of the Internal Revenue Code of 1986, as amended from time to time (the "Code")) or "accumulated funding deficiency" (as defined in Section 302 of ERISA) or any of the events set forth in Section 4043(b) of ERISA (other than events with respect to which the 30-day notice requirement under Section 4043 of ERISA has been waived) has occurred with respect to any employee benefit plan of the Issuers or the Subsidiaries which could reasonably be expected to have a Material Adverse Effect; each such employee benefit plan is in compliance in all material respects with applicable law, including ERISA and the Code; the Issuers and the Subsidiaries have not incurred and do not expect to incur liability under Title IV of ERISA with respect to the termination of, or withdrawal from, any pension plan for which the Issuers or the Subsidiaries would have any liability; and each such pension plan that is intended to be qualified under Section 401(a) of the Code is so qualified in all material respects and nothing has occurred, whether by action or by failure to act, which could reasonably be expected to cause the loss of such qualification.

(aa) There has been no storage, generation, transportation, handling, treatment, disposal, discharge, emission or other release of any kind of toxic or other wastes or other hazardous substances by, due to or caused by the Issuers or the Subsidiaries (or, to the best knowledge of the Issuers, any other entity (including any predecessor) for whose acts or omissions the Issuers or the Subsidiaries is or could reasonably be expected to be liable) upon any of the property now or previously owned or leased by the Issuers or the Subsidiaries, or upon any other property, in violation of any statute or any ordinance, rule, regulation, order, judgment, decree or permit or which would, under any statute or any ordinance, rule (including rule of common law), regulation, order, judgment, decree or permit, give rise to any liability, except for any violation or liability could not reasonably be expected to have, singularly or in the aggregate with all such violations and liabilities, a Material Adverse Effect; and there has been no disposal, discharge, emission or other release of any kind onto such property or into the environment surrounding such property of any toxic or other wastes or other hazardous substances with respect to which the Issuers have knowledge, except for any such disposal, discharge, emission or other release of any kind which could not reasonably be expected to have, singularly or in the aggregate with all such discharges and other releases, a Material Adverse Effect.

(bb) None of the Issuers or, to the best knowledge of the Issuers, any director, officer, agent, employee or other person associated with or acting on behalf of the Issuers has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977; or (iv) made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment.

(cc) On and immediately after the Closing Date, the Company (after giving effect to the issuance of the Notes, the Private Exchange Notes and the Exchange Notes and to the other transactions related thereto as described in the Offering Memorandum) will be Solvent. As used in this paragraph, the term "Solvent" means, with respect to a particular date, that on such date (i) the present fair market value (or present fair saleable value) of the assets of the Company is not less than the total amount required to pay the probable liabilities of the Company on its total existing debts and liabilities (including contingent liabilities) as they become absolute and matured, (ii) the Company is able to realize upon its assets and pay its debts and other liabilities, contingent obligations and commitments as they mature and become due in the normal course of business, (iii) assuming the sale of the Notes , the Private Exchange Notes and the Exchange Notes as contemplated by this Agreement and the Offering Memorandum, the Company is not incurring debts or liabilities beyond its ability to pay as such debts and liabilities mature and (iv) the Company is not engaged in any business or transaction, and is not about to engage in any business or transaction, for which its property would constitute unreasonably small capital after giving due consideration to the prevailing practice in the industry in which the Company is engaged. In computing the amount of such contingent liabilities at any time, it is intended that such liabilities will be computed at the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

(dd) Except as disclosed in the Offering Memorandum and except as would not reasonably be expected to have a Material Adverse Effect, to the best of the Issuers' knowledge, none of Mediacom, Mediacom Capital, Mediacom Management or any of the Subsidiaries party (a "Principal Agreement Party") to (i) the separate management agreements between Mediacom Management and each of the Subsidiaries (the "Management Agreements"), (ii) the Operating Agreement, (iii) the agreements comprising the Western Credit Facility and (iv) the agreements comprising the Southeast Credit Facility (collectively, the foregoing are herein called the "Principal Agreements"), is in breach of, or in default in any material respect in the performance or observance of, any material obligation, term, covenant or condition contained therein. Each of the Principal Agreements that Mediacom has previously delivered to the Initial Purchaser is a true and correct copy, and there have been no additional amendments, alterations, modifications or waivers thereto or in the exhibits or schedules thereto. Each Principal Agreement Party has duly and validly authorized, executed and delivered each of the Principal Agreements to which it is a party and, assuming due and valid authorization, execution and delivery by the other parties thereto, each of the Principal Agreements is a valid and legally binding agreement of such Principal Agreement Party.

(ee) Except as described in the Offering Memorandum, there are no outstanding subscriptions, rights, warrants, calls or options to acquire, or instruments convertible into or exchangeable for, or agreements or understandings with respect to the sale or issuance of, any membership interests or shares of capital stock of or other equity or other ownership interest in the Issuers or the Subsidiaries.

(ff) None of the Issuers or the Subsidiaries owns any "margin securities" as that term is defined in Regulations G and U of the Board of Governors of the Federal Reserve System (the "Federal Reserve Board"), and none of the proceeds of the sale of the Notes will be used, directly or indirectly, for the purpose of purchasing or carrying any margin security, for the purpose of reducing or retiring any indebtedness which was originally incurred to purchase or carry any margin security or for any other purpose which might cause any of the Notes to be considered a "purpose credit" within the meanings of Regulation G, T, U or X of the Federal Reserve Board.

(gg) None of the Issuers or the Subsidiaries is a party to any contract, agreement or understanding with any person that would give rise to a valid claim against the Issuers or the Initial Purchaser for a brokerage commission, finder's fee or like payment in connection with the offering and sale of the Notes, the Private Exchange Notes or the Exchange Notes.

(hh) The Notes satisfy the eligibility requirements of Rule 144A(d)(3) under the Securities Act.

(ii) None of the Issuers, any of their affiliates or any person acting on their behalf has engaged or will engage in any directed selling efforts (as such term is defined in Regulation S under the Securities Act ("Regulation S")) with respect to the Notes, the Private Exchange Notes or the Exchange Notes, and all such persons have complied and will comply with the offering restrictions requirement of Regulation S to the extent applicable. No representation is herein made with respect to the Initial Purchaser, any affiliate thereof or any person acting on its behalf, or with respect to any obligation thereof.

(jj) None of the Issuers or any of their affiliates has, directly or through any agent, sold, offered for sale, solicited offers to buy or otherwise negotiated in respect of, any security (as such term is defined in the Securities Act), which is or will be integrated with the sale of the Notes, the Private Exchange Notes or the Exchange Notes in a manner that would require registration of the Notes under the Securities Act.

(kk) None of the Issuers or any of their affiliates or any other person acting on their behalf has engaged, in connection with the offering of the Notes, the Private Exchange Notes or the Exchange Notes, in any form of general solicitation or general advertising within the meaning of Rule 502(c) under the Securities Act.

(ll) There are no securities of the Issuers registered under the Exchange Act, or listed on a national securities exchange or quoted in a U.S. automated inter-dealer quotation system.

(mm) The Issuers have not taken and will not take, directly or indirectly, any action prohibited by Regulation M under the Exchange Act in connection with the offering of the Notes, the Private Exchange Notes or the Exchange Notes.

(nn) No forward-looking statement (within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act) contained in the Preliminary Offering Memorandum or the Offering Memorandum has been made or reaffirmed without a reasonable basis or has been disclosed other than in good faith.

(oo) None of the Issuers or the Subsidiaries does business with the government of Cuba or with any person or affiliate located in Cuba within the meaning of Florida Statutes Section 517.075.

(pp) Since the date as of which information is given in the Offering Memorandum, except as otherwise stated therein, (i) there has been no material adverse change or any development involving a prospective material adverse change in the condition (financial or otherwise) or in the results of operations, business affairs, management or business prospects of the Issuers and the Subsidiaries taken as a whole, whether or not arising in the ordinary course of business, (ii) none of the Issuers and the Subsidiaries has incurred any material liability or obligation, direct or contingent, other than in the ordinary course of business, which would have a Material Adverse Effect, (iii) none of the Issuers and the Subsidiaries has entered into any material transaction other than in the ordinary course of business, which would have a Material Adverse Effect and (iv) there has not been any change in the capital stock, membership interests or long-term debt of the Issuers or any of the Subsidiaries, or any dividend or distribution of any kind declared, paid or made by the Issuers or the Subsidiaries on any class of its capital stock or membership interests.

2. Purchase and Resale of the Notes.

(a) On the basis of the representations, warranties and agreements contained herein, and subject to the terms and conditions set forth herein, the Issuers agree to issue and sell to the Initial Purchaser, and the Initial Purchaser, agrees to purchase from the Issuers, the principal amount of $200,000,000 of Notes at a purchase price equal to 97.25% of the principal amount thereof. The Issuers shall not be obligated to deliver any of the Notes except upon payment for all of the Notes to be purchased as provided herein.

(b) The Initial Purchaser has advised the Issuers that it proposes to offer the Notes for resale upon the terms and subject to the conditions set forth herein and in the Offering Memorandum. The Initial Purchaser represents, warrants and agrees that (i) it is purchasing the Notes pursuant to a private sale exempt from registration under the Securities Act, (ii) it has not solicited offers for, or offered or sold, and will not solicit offers for, or offer or sell, the Notes by means of any form of general solicitation or general advertising within the meaning of Rule 502(c) of Regulation D under the Securities Act ("Regulation D") or in any manner involving a public offering within the meaning of Section 4(2) of the Securities Act and it has not engaged, and will not engage, in any directed selling efforts within the meaning of Rule 902 under the Securities Act in connection with any of the Notes, and it will comply with the offering restrictions and requirements of Regulation S, (iii) it has solicited and will solicit offers for the Notes only from, and has offered or sold and will offer, sell or deliver the Notes, as part of its initial offering, only (A) within the United States to persons whom it reasonably believes to be qualified institutional buyers ("Qualified Institutional Buyers") as defined in Rule 144A under the Securities Act ("Rule 144A"), or if any such person is buying for one or more institutional accounts for which such person is acting as fiduciary or agent, only when such person has represented to it that each such account is a Qualified Institutional Buyer to whom notice has been given that such sale or delivery is being made in reliance on Rule 144A and in each case, in transactions in accordance with Rule 144A and (B) outside the United States to persons other than U.S. persons (as defined in Rule 902 under the Securities Act) and to whom the Initial Purchaser reasonably believes offers and sales of the Notes may be made in reliance on Rule 903 under the Securities Act in transactions meeting the requirements of Regulation S, and (iv) it is a Qualified Institutional Buyer. The Initial Purchaser agrees that prior to or simultaneously with the confirmation of sale by it to any purchaser of any of the Notes purchased by the Initial Purchaser pursuant hereto, it shall furnish to that purchaser a copy of the Offering Memorandum (and any amendment or supplement thereto that the Issuers shall have furnished to it prior to the date of such confirmation of sale). In addition to the foregoing, the Initial Purchaser acknowledges and agrees that the Issuers and, for the purposes of the opinions to be delivered to the Initial Purchaser pursuant to Sections 5(d), (e), (f) and (g), counsel for the Issuers and for the Initial Purchaser, respectively, may rely upon the accuracy of the representations and warranties of the Initial Purchaser and its compliance with the agreements contained in this Section 2, and the Initial Purchaser hereby consents to such reliance. The Initial Purchaser will advise the Issuers of the completion of the distribution of Notes pursuant to Regulation S. The Initial Purchaser agrees that, at or prior to confirmation of sale of Notes (other than a sale pursuant to Rule 144A), it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the restricted period a confirmation of notice to substantially the following effect:

> "The Notes covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering of the Notes and the date of original issuance of the Notes, except in accordance with Regulation S or Rule 144A or any other available exemption from registration under the Securities Act. Terms used above have the meanings given to them by Regulation S."

The Initial Purchaser represents that it has not entered into and agrees that it will not enter into any contractual arrangement with respect to the distribution or delivery of the Notes, except with the prior written consent of the Issuers.

(c) The Initial Purchaser represents, warrants and agrees that (i) it has not offered or sold and will not offer or sell, in the United Kingdom by means of any document, any Notes offered hereby, other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995 (the "Regulations"), (ii) it has complied and will comply with all applicable provisions of the Financial Services Act 1986 and the Regulations with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom, and (iii) it has only issued or passed on and will only issue or pass on in the United Kingdom any document received by it in connection with the issue of the Notes to a person who is of a kind described in Article 11(3) of the Financial Services Act 1986 (Investment Advertisements) (Exemptions) Order 1996 or is a person to whom such document may otherwise lawfully be issued or passed on.

(d) The Issuers acknowledge and agree that the Initial Purchaser may sell Notes to any affiliate of the Initial Purchaser and that any such affiliate may sell Notes purchased by it to the Initial Purchaser.

3. Delivery of and Payment for the Notes.

(a) Delivery of and payment for the Notes shall be made at the offices of Milbank, Tweed, Hadley & McCloy, New York, New York, or at such other place as shall be agreed upon by the Initial Purchaser and the Issuers, at 10:00 A.M., New York City time, on April 1, 1998, or at such other time or date, not later than seven full business days thereafter, as shall be agreed upon by the Initial Purchaser and the Issuers (such date and time of payment and delivery being referred to herein as the "Closing Date").

(b) On the Closing Date, payment of the purchase price for the Notes shall be made to Mediacom by wire or book-entry transfer of same-day funds to such account or accounts as Mediacom shall specify prior to the Closing Date or by such other means as the parties hereto shall agree prior to the Closing Date against delivery to the Initial Purchaser of the certificates evidencing the Notes. Time shall be of the essence, and delivery at the time and place specified pursuant to this Agreement is a further condition of the obligations of the Initial Purchaser hereunder. Upon delivery, the Notes shall be in global form, registered in such names and in such denominations as the Initial Purchaser shall have requested in writing not less than two full business days prior to the Closing Date. The Issuers agree to make one or more global certificates evidencing the Notes available for inspection by the Initial Purchaser in New York, New York at least 24 hours prior to the Closing Date.

4. Further Agreements of the Issuers. The Issuers agree with the Initial Purchaser:

(a) To advise the Initial Purchaser promptly and, if requested, confirm such advice in writing, of the happening of any event which makes any statement of a material fact made in the Offering Memorandum untrue or which requires the making of any additions to or changes in the Offering Memorandum (as amended or supplemented from time to time) in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; to advise the Initial Purchaser promptly of any order preventing or suspending the use of the Preliminary Offering Memorandum or the Offering Memorandum, of any suspension of the qualification of the Notes for offering or sale in any jurisdiction and of the initiation or threatening of any proceeding for any such purpose; and to use its best efforts to prevent the issuance of any such order preventing or suspending the use of the Preliminary Offering Memorandum or the Offering Memorandum or suspending any such qualification and, if any such suspension is issued, to obtain the lifting thereof at the earliest possible time.

(b) To furnish promptly to the Initial Purchaser and counsel for the Initial Purchaser, without charge, as many copies of the Preliminary Offering Memorandum and the Offering Memorandum (and any amendments or supplements thereto) as may be reasonably requested.

(c) Prior to making any amendment or supplement to the Offering Memorandum, to furnish a copy thereof to the Initial Purchaser and counsel for the Initial Purchaser and not to effect any such amendment or supplement to which the Initial Purchaser shall reasonably object by notice to the Issuers after a reasonable period to review.

(d) If, at any time prior to completion of the resale of the Notes by the Initial Purchaser, any event shall occur or condition exist as a result of which it is necessary, in the opinion of counsel for the Initial Purchaser or counsel for the Issuers, to amend or supplement the Offering Memorandum in order that the Offering Memorandum will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time it is delivered to a purchaser, not misleading, or if it is necessary to amend or supplement the Offering Memorandum to comply with applicable law, to promptly prepare such amendment or supplement as may be necessary to correct such untrue statement or omission or so that the Offering Memorandum, as so amended or supplemented, will comply with applicable law.

(e) For so long as the Notes are outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, to furnish to holders of the Notes and prospective purchasers of the Notes designated by such holders, upon request of such holders or such prospective purchasers, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act, unless the Issuers are then subject to and in compliance with Section 13 or 15(d) of the Exchange Act (the foregoing agreement being for the benefit of the holders from time to time of the Notes and prospective purchasers of the Notes designated by such holders).

(f) To promptly take from time to time such actions as the Initial Purchaser may reasonably request to qualify the Notes for offering and sale under the securities or Blue Sky laws of such jurisdictions as the Initial Purchaser may designate and to continue such qualifications in effect for so long as required for the resale of the Notes, and to arrange for the determination of the eligibility for investment of the Notes under the laws of such jurisdictions as the Initial Purchaser may reasonably request; provided that the Issuers and the Subsidiaries shall not be obligated to qualify as foreign corporations in any jurisdiction in which they are not so qualified or to file a general consent to service of process in any jurisdiction.

(g) To assist the Initial Purchaser in arranging for the Notes to be designated Private Offerings, Resales and Trading through Automated Linkages ("PORTAL") Market securities in accordance with the rules and regulations adopted by the National Association of Securities Dealers, Inc. ("NASD") relating to trading in the PORTAL Market and for the Notes to be eligible for clearance and settlement through The Depository Trust Company ("DTC"), the Euroclear System and Cedel Bank, societe anonyme.

(h) Not to, and to cause their affiliates not to, sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as such term is defined in the Securities Act) which could be integrated with the sale of the Notes in a manner which would require registration of the Notes under the Securities Act.

(i) Except following the effectiveness of the Exchange Offer Registration Statement or the Shelf Registration Statement, as the case may be, not to, and to cause their affiliates not to, authorize or knowingly permit any person acting on their behalf to, solicit any offer to buy or offer to sell the Notes, the Private Exchange Notes or the Exchange Notes by means of any form of general solicitation or general advertising within the meaning of Regulation D, by means of any directed selling efforts (as defined in Regulation S under the Securities Act) in connection with the Notes or in any manner involving a public offering within the meaning of Section 4(2) of the Securities Act; and not to offer, sell, contract to sell or otherwise dispose of, directly or indirectly, any securities under circumstances where such offer, sale, contract or disposition would cause the exemption afforded by Section 4(2) of the Securities Act to cease to be applicable to the offering and sale of the Notes to the Initial Purchaser as contemplated by this Agreement and the Offering Memorandum.

(j) During the period from the Closing Date until two years after the Closing Date or the effectiveness of the Exchange Offer Registration Statement or Shelf Registration Statement, without the prior written consent of the Initial Purchaser, not to, and not permit any of their affiliates (as defined in Rule 144 under the Securities Act) which they control to, resell any of the Notes, the Private Exchange Notes or Exchange Notes that have been reacquired by them, except for Notes, the Private Exchange Notes or Exchange Notes purchased by the Issuers or any of their affiliates and resold in a transaction registered under the Securities Act.

(k) Not to, for so long as the Notes are outstanding, be or become, or be or become owned by, an open-end investment company, unit investment trust or face-amount certificate company that is or is required to be registered under Section 8 of the Investment Company Act, and to not be or become, or be or become owned by, a closed-end investment company required to be registered, but not registered thereunder.

(l) In connection with the offering of the Notes, until the Initial Purchaser shall have notified the Issuers of the completion of the resale of the Notes, not to, and to cause their affiliated purchasers (as defined in Regulation M under the Exchange Act) not to, either alone or with one or more other persons, bid for or purchase, for any account in which they or any of their affiliated purchasers has a beneficial interest, any Notes, or attempt to induce any person to purchase any Notes; and not to, and to cause their affiliated purchasers not to, make bids or purchase for the purpose of creating actual, or apparent, active trading in or of raising the price of the Notes.

(m) In connection with the offering of the Notes, to make their officers, employees, independent accountants and legal counsel reasonably available upon request by the Initial Purchaser.

(n) To furnish to the Initial Purchaser on the date hereof a copy of the independent accountants' report included in the Offering Memorandum signed by the accountants rendering such report.

(o) To do and perform all things required to be done and performed by them under this Agreement that are within their control prior to or after the Closing Date, and to use their best efforts to satisfy all conditions precedent on their part to the delivery of the Notes.

(p) To not take any action prior to the execution and delivery of the Indenture that, if taken after such execution and delivery, would have violated any of the covenants contained in the Indenture.

(q) Prior to the Closing Date, not to issue any press release or other communication directly or indirectly or hold any press conference with respect to the Issuers, their condition (financial or otherwise) or results of operations, business affairs, management or business prospects (except for routine oral marketing communications in the ordinary course of business and consistent with the past practices of the Issuers and of which the Initial Purchaser is notified), without the prior written consent of the Initial Purchaser, unless in the judgment of the Issuers and their counsel, and after notification to the Initial Purchaser, such press release or communication is required by law.

(r) To apply the net proceeds from the sale of the Notes as set forth in the Offering Memorandum under the heading "Use of Proceeds".

5. <u>Conditions of Initial Purchaser's Obligations.</u> The obligations of the Initial Purchaser hereunder are subject to the accuracy, on and as of the date hereof and the Closing Date, of the representations and warranties of the Issuers contained herein, to the accuracy of the statements of the Issuers and their officers made in any certificates delivered pursuant hereto, to the performance by the Issuers of their obligations hereunder, and to each of the following additional terms and conditions:

(a) The Offering Memorandum (and any amendments or supplements thereto) shall have been printed and copies distributed to the Initial Purchaser as promptly as practicable on or following the date of this Agreement or at such other date and time as to which the Initial Purchaser may agree; and no stop order suspending the sale of the Notes in any jurisdiction shall have been issued and no proceeding for that purpose shall have been commenced or shall be pending or threatened.

(b) The Initial Purchaser shall not have discovered and disclosed to the Issuers on or prior to the Closing Date that the Offering Memorandum or any amendment or supplement thereto contains an untrue statement of a fact which, in the opinion of counsel for the Initial Purchaser, is material or omits to state any fact which, in the opinion of such counsel, is material and is required to be stated therein or is necessary to make the statements therein not misleading.

(c) All corporate proceedings and other legal matters incident to the authorization, form and validity of each of the Transaction Documents and the Offering Memorandum, and all other legal matters relating to the Transaction Documents and the transactions contemplated thereby, shall be satisfactory in all material respects to the Initial Purchaser, and the Issuers shall have furnished to the Initial Purchaser all documents and information that it or its counsel may reasonably request to enable them to pass upon such matters.

(d) Cooperman Levitt Winikoff Lester & Newman, P.C. shall have furnished to the Initial Purchaser their written opinion, as counsel to the Issuers, addressed to the Initial Purchaser and dated the Closing Date, in form and substance reasonably satisfactory to the Initial Purchaser, substantially to the effect set forth in Annex B hereto.

(e) Fleischman & Walsh L.L.P. shall have furnished to the Initial Purchaser their written opinion, as special regulatory counsel for the Issuers, addressed to the Initial Purchaser and dated the Closing Date, in form and substance reasonably satisfactory to the Initial Purchaser, substantially to the effect set forth in Annex C hereto.

(f) Dow, Lohnes & Albertson, PLLC shall have furnished to the Initial Purchaser their written opinion, as special regulatory counsel for the Initial Purchaser, addressed to the Initial Purchaser and dated the Closing Date, in form and substance satisfactory to the Initial Purchaser, substantially to the effect set forth in Annex D hereto.

(g) The Initial Purchaser shall have received from Milbank, Tweed, Hadley & McCloy, counsel for the Initial Purchaser, such opinion or opinions, dated the Closing Date, with respect to such matters as the Initial Purchaser may reasonably require, and the Issuers shall have furnished to such counsel such documents and information as they request for the purpose of enabling them to pass upon such matters.

(h) The Issuers shall have furnished to the Initial Purchaser (i) a letter (the "AA Initial Letter") of Arthur Andersen LLP, addressed to the Initial Purchaser and dated the date hereof, in form and substance satisfactory to the Initial Purchaser, substantially to the effect set forth in Annex E-1 hereto and (ii) a letter (the "KPMG Initial Letter") of KPMG Peat Marwick LLP, addressed to the Initial Purchaser and dated the date hereof, in form and substance satisfactory to the Initial Purchaser, substantially to the effect set forth in Annex E-2 hereto.

(i) The Issuers shall have furnished to the Initial Purchaser a letter (the "AA Bring-Down Letter") of Arthur Andersen LLP, addressed to the Initial Purchaser and dated the Closing Date (i) confirming that they are independent public accountants with respect to the Issuers and the Subsidiaries within the meaning of Rule 101 of the Code of Professional Conduct of the AICPA and its interpretations and rulings thereunder, (ii) stating, as of the date of the AA Bring-Down Letter (or, with respect to matters involving changes or developments since the respective dates as of which specified financial information is given in the Offering Memorandum, as of a date not more than three business days prior to the date of the AA Bring-Down Letter), that the conclusions and findings of such accountants with respect to the financial information and other matters covered by the AA Initial Letter are accurate and (iii) confirming in all material respects the conclusions and findings set forth in the AA Initial Letter. The Issuers shall have furnished to the Initial Purchaser a letter (the "KPMG Bring-Down Letter") of KPMG Peat Marwick LLP, addressed to the Initial Purchaser and dated the Closing Date (i) confirming that they are independent public accountants with respect to the Cablevision Systems within the meaning of Rule 101 of the Code of Professional Conduct of the AICPA and its interpretations and rulings thereunder, (ii) stating, as of the date of the KPMG Bring-Down Letter (or, with respect to matters involving changes or developments since the respective dates as of which specified financial information is given in the Offering Memorandum, as of a date not more than three business days prior to the date of the KPMG Bring-Down Letter), that the conclusions and findings of such accountants with respect to the financial information and other matters covered by the KPMG Initial Letter are accurate and (iii) confirming in all material respects the conclusions and findings set forth in the KPMG Initial Letter.

(j) The Issuers shall have furnished to the Initial Purchaser a certificate, dated the Closing Date, of their respective chief executive officers and chief financial officers stating that (A) such officers have carefully examined the Offering Memorandum, (B) in their opinion, the Offering Memorandum, as of its date, did not include any untrue statement of a material fact and did not omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, and since the date of the Offering Memorandum, no event has occurred which should have been set forth in a supplement or amendment to the Offering Memorandum so that the Offering Memorandum (as so amended or supplemented) would not include any untrue statement of a material fact and would not omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading and (C) as of the Closing Date, the representations and warranties of the Issuers in this Agreement are true and correct in all material respects, the Issuers have complied with all agreements, in all material respects, and satisfied all conditions on their part to be performed or satisfied hereunder on or prior to the Closing Date, and subsequent to the date of the most recent financial statements contained in the Offering Memorandum, there has been no material adverse change or any development involving a prospective material adverse change in the condition (financial or otherwise), or in the results of operations, business affairs, management or business prospects of the Issuers and the Subsidiaries taken as a whole, except as set forth in the Offering Memorandum.

(k) The Initial Purchaser shall have received a counterpart of the Registration Rights Agreement which shall have been executed and delivered by a duly authorized officer of each of the Issuers.

(l) The Indenture shall have been duly executed and delivered by the Issuers and the Trustee, and the Notes shall have been duly executed and delivered by the Issuers and duly authenticated by the Trustee.

(m) The Notes shall have been approved by the NASD for trading in the PORTAL Market.

(n) If any event shall have occurred that requires the Issuers under Section 4(d) to prepare an amendment or supplement to the Offering Memorandum, such amendment or supplement shall have been prepared, the Initial Purchaser shall have been given a reasonable opportunity to comment thereon, and copies thereof shall have been delivered to the Initial Purchaser reasonably in advance of the Closing Date.

(o) There shall not have occurred any invalidation of Rule 144A or Regulation S under the Securities Act by any court or any withdrawal or proposed withdrawal of any rule or regulation under the Securities Act or the Exchange Act by the Commission or any amendment or proposed amendment thereof by the Commission which in the judgment of the Initial Purchaser would materially impair the ability of the Initial Purchaser to purchase, hold or effect resales of the Notes as contemplated hereby.

(p) Subsequent to the execution and delivery of this Agreement or, if earlier, the dates as of which information is given in the Offering Memorandum (exclusive of any amendment or supplement thereto), there shall not have been any change in the capital stock or membership interests, as applicable, or long-term debt or any change, or any development involving a prospective change, in or affecting the condition (financial or otherwise), results of operations, business affairs, management, or business prospects of the Issuers and the Subsidiaries taken as a whole, whether or not arising in the ordinary course of business, the effect of which, in any such case described above, is, in the judgment of the Initial Purchaser, so material and adverse as to make it impracticable or inadvisable to proceed with the sale or delivery of the Notes on the terms and in the manner contemplated by this Agreement and the Offering Memorandum (exclusive of any amendment or supplement thereto).

(q) No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any governmental agency or body which would, as of the Closing Date, prevent the issuance or sale of the Notes, the Private Exchange Notes or Exchange Notes; and no injunction, restraining order or order of any other nature by any federal or state court of competent jurisdiction shall have been issued as of the Closing Date which would prevent the issuance or sale of the Notes, the Private Exchange Notes or Exchange Notes.

(r) Subsequent to the execution and delivery of this Agreement (i) no downgrading shall have occurred in the rating accorded the Notes by any "nationally recognized statistical rating organization", as such term is defined by the Commission for purposes of Rule 436(g)(2) of the rules and regulations of the Commission under the

Securities Act, and (ii) no such organization shall have publicly announced that it has under surveillance or review (other than an announcement with positive implications of a possible upgrading), its rating of the Notes.

(s) Subsequent to the execution and delivery of this Agreement there shall not have occurred any of the following: (i) trading in securities generally on the New York Stock Exchange, the American Stock Exchange or the over-the-counter market shall have been suspended or limited, or minimum prices shall have been established on any such exchange or market by the Commission, by any such exchange or by any other regulatory body or governmental authority having jurisdiction, or trading in any securities of the Issuers on any exchange or in the over-the-counter market shall have been suspended or (ii) any moratorium on commercial banking activities shall have been declared by federal or New York state authorities or (iii) an outbreak or escalation of hostilities or a declaration by the United States of a national emergency or war or (iv) a material adverse change in general economic, political or financial conditions (or the effect of international conditions on the financial markets in the United States shall be such) the effect of which, in the case of this clause (iv), is, in the judgment of the Initial Purchaser, so material and adverse as to make it impracticable or inadvisable to proceed with the sale or the delivery of the Notes on the terms and in the manner contemplated by this Agreement and in the Offering Memorandum (exclusive of any amendment or supplement thereto).

All opinions, letters, evidence and certificates mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof only if they are in form and substance reasonably satisfactory to counsel for the Initial Purchaser.

6. Termination. The obligations of the Initial Purchaser hereunder may be terminated by the Initial Purchaser, in its absolute discretion, by notice given to and received by the Issuers prior to delivery of and payment for the Notes if, prior to that time, any of the events described in Section 5(o), (p), (q), (r) or (s) shall have occurred and be continuing.

7. Reimbursement of Initial Purchaser's Expenses. If (a) this Agreement shall have been terminated pursuant to Section 6, (b) the Issuers shall fail to tender the Notes for delivery to the Initial Purchaser for any reason permitted under this Agreement or shall fail to fulfill a condition stated in Section 5, or (c) the Initial Purchaser shall decline to purchase the Notes for any reason permitted under this Agreement, the Issuers shall reimburse the Initial Purchaser for such out-of-pocket expenses (including reasonable fees and disbursements of counsel) as shall have been reasonably incurred by the Initial Purchaser in connection with this Agreement and the proposed purchase and resale of the Notes.

8. Indemnification.

(a) The Issuers shall indemnify and hold harmless the Initial Purchaser, its affiliates, their respective officers, directors, employees, representatives and agents, and each person, if any, who controls the Initial Purchaser within the meaning of the Securities Act or the Exchange Act (collectively referred to for purposes of this Section 8(a) and Section 9 as an Initial Purchaser), from and against any loss, claim, damage or liability, joint or several, or any action in respect thereof (including, without limitation, any loss, claim, damage, liability or action relating to purchases and sales of the Notes), to which the Initial Purchaser may become subject, whether commenced or threatened, under the Securities Act, the Exchange Act, any other federal or state statutory law or regulation, at common law or otherwise, insofar as such loss, claim, damage, liability or action arises out of, or is based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in the Preliminary Offering Memorandum or the Offering Memorandum or in any amendment or supplement thereto or any information provided by the Issuers to the holders of the Notes pursuant to Section 4(e) in connection with the initial distribution of the Notes or (ii) the omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, and shall reimburse the Initial Purchaser promptly upon demand for any legal or other expenses reasonably incurred by the Initial Purchaser in connection with investigating or defending or preparing to defend against or appearing as a third party witness in connection with any such loss, claim, damage, liability or action as such expenses are incurred; provided, however, that the Issuers shall not be liable in any such case to the extent that any such loss, claim, damage, liability or action arises out of, or is based upon, an untrue statement or alleged untrue statement in or omission or alleged omission from any of such documents in reliance upon and in conformity with the Initial Purchaser's Information; and provided, further, that with respect to any such untrue statement in or omission from the Preliminary Offering Memorandum, the indemnity agreement contained in this Section 8(a) shall not inure to the benefit of the Initial Purchaser to the extent that the sale to the person asserting any such loss, claim, damage, liability or action was an initial resale by the Initial Purchaser and any such loss, claim, damage, liability or action of or with respect to the Initial Purchaser results from the fact that both (A) to the extent required by applicable law, a copy of the Offering Memorandum was not sent or given to such person at or prior to the written confirmation of the sale of such Securities to such person and (B) the untrue statement in or omission from the Preliminary Offering Memorandum was corrected in the Offering Memorandum unless, in either case, such failure to deliver the Offering Memorandum was a result of non-compliance by the Issuers with Section 4(b).

(b) The Initial Purchaser shall indemnify and hold harmless the Issuers, their affiliates, their respective officers, directors, employees, representatives and agents, and each person, if any, who controls the Issuers within the meaning of the Securities Act or the Exchange Act (collectively referred to for purposes of this Section 8(b) and Section 9 as the Issuers), from and against any loss, claim, damage or liability, joint or several, or any action in respect thereof, to which the Issuers may become subject, whether commenced or threatened, under the Securities Act, the Exchange Act, any other federal or state statutory law or regulation, at common law or otherwise, insofar as such loss, claim, damage, liability or action arises out of, or is based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in the Preliminary Offering Memorandum or the Offering Memorandum or in any amendment or supplement thereto or (ii) the omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, but in each case only to the extent that the untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with the Initial Purchaser's Information, and shall reimburse the Issuers promptly upon demand for any legal or other expenses reasonably incurred by the Issuers in connection with investigating or defending or preparing to defend against or appearing as a third party witness in connection with any such loss, claim, damage, liability or action as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under this Section 8 of notice of any claim or the commencement of any action, the indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party pursuant to Section 8(a) or 8(b), notify the indemnifying party in writing of the claim or the commencement of that action; *provided, however*, that the failure to notify the indemnifying party shall not relieve it from any liability which it may have under this Section 8 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and, *provided, further*, that the failure to notify the indemnifying party shall not relieve it from any liability which it may have to an indemnified party otherwise than under this Section 8. If any such claim or action shall be brought against an indemnified party, and it shall notify the indemnifying party thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it wishes, jointly with any other similarly notified indemnifying party, to assume the defense thereof with counsel reasonably satisfactory to the indemnified party. After notice from the indemnifying party to the indemnified party of its election to assume the defense of such claim or action, the indemnifying party shall not be liable to the indemnified party under this Section 8 for any legal or other expenses subsequently incurred by the indemnified party in connection with the defense thereof other than reasonable costs of investigation; *provided, however*, that an indemnified party shall have the right to employ its own counsel in any such action, but the fees, expenses and other charges of such counsel for the indemnified party will be at the expense of such indemnified party unless (1) the employment of counsel by the indemnified party has been authorized in writing by the indemnifying party, (2) the indemnified party has reasonably concluded (based upon advice of counsel to the indemnified party) that there may be legal defenses available to it or other indemnified parties that are different from or in addition to those available to the indemnifying party, (3) a conflict or potential conflict exists (based upon advice of counsel to the indemnified party) between the indemnified party and the indemnifying party (in which case the indemnifying party will not have the right to direct the defense of such action on behalf of the indemnified party) or (4) the indemnifying party has not in fact employed counsel reasonably satisfactory to the indemnified party to assume the defense of such action within a reasonable time after receiving notice of the commencement of the action, in each of which cases the reasonable fees, disbursements and other charges of counsel will be at the expense of the indemnifying party or parties. It is understood that the indemnifying party or parties shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable fees, disbursements and other charges of more than one separate firm of attorneys (in addition to any local counsel) at any one time for all such indemnified party or parties. Each indemnified party, as a condition of the indemnity agreements contained in Sections 8(a) and 8(b), shall use all reasonable efforts to cooperate with the indemnifying party in the defense of any such action or claim. No indemnifying party shall be liable for any settlement of any such action effected without its written consent (which consent shall not be unreasonably withheld), but if settled with its written consent or if there be a final judgment for the plaintiff in any such action, the indemnifying party agrees to indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment. No indemnifying party shall, without the prior written consent of the indemnified party (which consent shall not be unreasonably withheld), effect any settlement of any pending or threatened proceeding in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such proceeding.

The obligations of the Issuers and the Initial Purchaser in this Section 8 and in Section 9 are in addition to any other liability that the Issuers or the Initial Purchaser, as the case may be, may otherwise have, including in respect of any breaches of representations, warranties and agreements made herein by any such party.

9. Contribution. If the indemnification provided for in Section 8 is unavailable or insufficient to hold harmless an indemnified party under Section 8(a) or 8(b), then each indemnifying party shall, in lieu of indemnifying such indemnified party, contribute to the amount paid or payable by such indemnified party as a result of such loss, claim, damage or liability, or action in respect thereof, (i) in such proportion as shall be appropriate to reflect the relative benefits received by the Issuers on the one hand and the Initial Purchaser on the other from the offering of the Notes or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Issuers on the one hand and the Initial Purchaser on the other with respect to the statements or omissions that resulted in such loss, claim, damage or liability, or action in respect thereof, as well as any other relevant equitable considerations. The relative benefits received by the Issuers on the one hand and the Initial Purchaser on the other with respect to such offering shall be deemed to be in the same proportion as the total net proceeds from the offering of the Notes purchased under this Agreement (before deducting expenses) received by or on behalf of the Issuers, on the one hand, and the total discounts and commissions received by the Initial Purchaser with respect to the Notes purchased under this Agreement, on the other, bear to the total gross proceeds from the sale of the Notes under this Agreement, in each case as set forth in the table on the cover page of the Offering Memorandum. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to the Issuers or information supplied by the Issuers on the one hand or to the Initial Purchaser's Information on the other, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The Issuers and the Initial Purchaser agree that it would not be just and equitable if contributions pursuant to this Section 9 were to be determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to herein. The amount paid or payable by an indemnified party as a result of the loss, claim, damage or liability, or action in respect thereof, referred to above in this Section 9 shall be deemed to include, for purposes of this Section 9, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending or preparing to defend any such action or claim. Notwithstanding the provisions of this Section 9, the Initial Purchaser shall not be required to contribute any amount in excess of the amount by which the total discounts and commissions received by the Initial Purchaser with respect to the Notes purchased by it under this Agreement exceeds the amount of any damages which the Initial Purchaser has otherwise paid or become liable to pay by reason of any untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

10. Persons Entitled to Benefit of Agreement. This Agreement shall inure to the benefit of and be binding upon the Initial Purchaser, the Issuers and their respective successors. This Agreement and the terms and provisions hereof are for the sole benefit of only those persons, except as provided in Sections 8 and 9 with respect to affiliates, officers, directors, employees, representatives, agents and controlling persons of the Issuers and the Initial Purchaser and in Section 4(e) with respect to holders and prospective purchasers of the Notes during and at the end of the initial distribution of the Notes. Nothing in this Agreement is intended or shall be construed to give any person, other than the persons referred to in this Section 10, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein.

11. Expenses. The Issuers agree with the Initial Purchaser to pay (a) the costs incident to the authorization, issuance, sale, preparation and delivery of the Notes and any taxes payable in that connection; (b) the costs incident to the preparation, printing and distribution of the Preliminary Offering Memorandum, the Offering Memorandum and any amendments or supplements thereto; (c) the costs of reproducing and distributing each of the Transaction Documents; (d) the costs incident to the preparation, printing and delivery of the certificates evidencing the Notes, including stamp duties and transfer taxes, if any, payable upon issuance of the Notes; (e) the fees and expenses of

the Issuers' counsel and independent accountants; (f) the fees and expenses of qualifying the Notes under the securities laws of the several jurisdictions as provided in Section 4(f) and of preparing, printing and distributing Blue Sky Memoranda (including related fees and expenses of counsel for the Initial Purchaser); (g) any fees charged by rating agencies for rating the Notes; (h) the fees and expenses of the Trustee and any paying agent (including related fees and expenses of any counsel to such parties); (i) all expenses and application fees incurred in connection with the application for the inclusion of the Notes on the PORTAL Market and the approval of the Notes for book-entry transfer by DTC; and (j) all other costs and expenses incident to the performance of the obligations of the Issuers under this Agreement which are not otherwise specifically provided for in this Section 11; provided, however, that except as provided in this Section 11 and Section 7, the Initial Purchaser shall pay its own costs and expenses.

12. Survival. The respective indemnities, rights of contribution, representations, warranties and agreements of the Issuers and the Initial Purchaser contained in this Agreement or made by or on behalf of the Issuers or the Initial Purchaser pursuant to this Agreement or any certificate delivered pursuant hereto shall survive the delivery of and payment for the Notes and shall remain in full force and effect, regardless of any termination or cancellation of this Agreement or any investigation made by or on behalf of any of them or any of their respective affiliates, officers, directors, employees, representatives, agents or controlling persons.

13. Notices, etc. All statements, requests, notices and agreements hereunder shall be in writing, and:

(a) if to the Initial Purchaser, shall be delivered or sent by mail or telecopy transmission to Chase Securities Inc., 270 Park Avenue, New York, New York 10017, Attention: James P. Casey (telecopier no.: (212) 270-0994); or

(b) if to the Issuers, shall be delivered or sent by mail or telecopy transmission to the address of Mediacom set forth in the Offering Memorandum, Attention: Rocco B. Commisso (telecopier no.: (914) 695-2699);

provided that any notice to the Initial Purchaser pursuant to Section 8(c) shall also be delivered or sent by mail to the Initial Purchaser at its address set forth on the signature page hereof. Any such statements, requests, notices or agreements shall take effect at the time of receipt thereof. The Issuers shall be entitled to act and rely upon any request, consent, notice or agreement given or made on behalf of the Initial Purchaser.

14. Definition of Terms. For purposes of this Agreement, (a) the term "business day" means any day on which the New York Stock Exchange, Inc. is open for trading, (b) the term "subsidiary" has the meaning set forth in Rule 405 under the Securities Act and (c) except where otherwise expressly provided, the term "affiliate" has the meaning set forth in Rule 405 under the Securities Act.

15. Initial Purchaser's Information. The parties hereto acknowledge and agree that, for all purposes of this Agreement, the Initial Purchaser's Information consists solely of the following information in the Preliminary Offering Memorandum and the Offering Memorandum: (i) the last paragraph on the front cover page concerning the terms of the offering by the Initial Purchaser; (ii) the first paragraph on page (i) of the Offering Memorandum concerning over-allotment and trading activities by the Initial Purchaser; and (iii) the statements concerning the Initial Purchaser contained in the third, fourth, fifth, sixth, seventh, ninth, eleventh and twelfth paragraphs under the heading "Plan of Distribution".

16. Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

17. Counterparts. This Agreement may be executed in one or more counterparts (which may include counterparts delivered by telecopier) and, if executed in more than one counterpart, the executed counterparts shall each be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

18. Amendments. No amendment or waiver of any provision of this Agreement, nor any consent or approval to any departure therefrom, shall in any event be effective unless the same shall be in writing and signed by the parties hereto.

19. Headings. The headings herein are inserted for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

If the foregoing is in accordance with your understanding of our agreement, kindly sign and return to us a counterpart hereof, whereupon this instrument will become a binding agreement between the Issuers and the Initial Purchaser in accordance with its terms.

Very truly yours,

MEDIACOM LLC

By_______________________________
Name:
Title:

MEDIACOM CAPITAL CORPORATION

By_______________________________
Name:
Title:

Accepted:

CHASE SECURITIES INC.

By_____________________________
Authorized Signatory

Address for notices pursuant to Section 8(c):
1 Chase Plaza, 25th floor
New York, New York 10081
Attention: Legal Department

EXHIBIT 5.1

[LETTERHEAD OF COOPERMAN LEVITT WINIKOFF LESTER & NEWMAN, P.C.]

June 18, 1998

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, DC 20549

Ladies and Gentlemen:

We have been requested by Mediacom LLC ("Mediacom"), a New York limited liability company, and Mediacom Capital Corporation ("Mediacom Capital" and together with Mediacom, the "Issuers"), a New York corporation, to furnish our opinion in connection with the registration statement (the "Registration Statement") on Form S-4, filed concurrently herewith, with respect to the registration of $200,000,000 principal amount of Series B 8 1/2 % Senior Notes due 2008 of the Issuers (the "Series B Notes") to be offered in exchange for outstanding 8 1/2 % Senior Notes due 2008 (the "Series A Notes"). The Series B Notes will be issued under an indenture relating to the Series A and Series B Notes (the "Indenture") among the Issuers and Bank of Montreal Trust Company, as Trustee.

We have made such examination as we have deemed necessary for the purpose of this opinion. Based upon such examination, it is our opinion that when the Registration Statement has become effective under the Securities Act of 1933, as amended, the Series B Notes have been duly executed and authenticated in accordance with the Indenture, the Indenture has been qualified under the Trust Indenture Act of 1939, as amended, the Series A Notes have been validly tendered to the Issuers and the Series B Notes have been delivered in exchange therefor, the Series B Notes will be validly issued and binding obligations of the Issuers subject in each case to the effect of (i) bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights of creditors generally and (ii) the application of general principles of equity (regardless of whether enforcement is considered in proceedings at law or in equity).

We express no opinion as to the applicability (and, if applicable, the effect) of Section 548 of the United States Bankruptcy Code or any comparable provision of state law to the conclusions expressed above.

We are members of the Bar of the State of New York and the foregoing opinion is limited to the laws of the State of New York and the Federal laws of the United States of America.

The opinion is rendered solely to you in connection with the above matter. This opinion may not be relied upon by you for any other purposes or relied upon or furnished to any other person without our prior written consent.

We hereby consent to the use of this opinion as an exhibit to the Registration Statement and to the reference to our name under the caption "Legal Matters" in the prospectus included in the Registration Statement.

Very truly yours,

COOPERMAN LEVITT WINIKOFF
LESTER & NEWMAN, P.C.

By /s/ Elliot Brecher

EXHIBIT 8.1

[LETTERHEAD OF COOPERMAN LEVITT WINIKOFF LESTER & NEWMAN, P.C.]

June 15, 1998

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, DC 20549

Ladies and Gentlemen:

We have been requested by Mediacom LLC ("Mediacom"), a New York limited liability company, and Mediacom Capital Corporation ("Mediacom Capital" and together with Mediacom, the "Issuers"), a New York corporation, to furnish our opinion in connection with the registration statement (the "Registration Statement") on Form S-4, filed concurrently herewith, with respect to the registration of $200,000,000 principal amount of Series B 8 1/2 % Senior Notes due 2008 of the Issuers (the "Series B Notes") to be offered (the "Exchange Offer") in exchange for outstanding 8 1/2 % Senior Notes due 2008 (the "Series A Notes").

We have made such examination as we have deemed necessary for the purpose of this opinion. Based upon the terms of the Exchange Offer, of the Series A Notes and of the Series B Notes, which are set forth in the Registration Statement, it is our opinion that the summary set forth under the heading "Certain Federal Income Tax Consequences" in the Registration Statement accurately describes, in all material respects, the material federal income tax consequences of the Exchange Offer to the holders of the Series A Notes.

The foregoing opinion is based upon current provisions of the Internal Revenue Code of 1986, as amended, the Treasury Regulations promulgated thereunder, published pronouncements of the Internal Revenue Service, and case law, any of which may be changed at any time with retroactive effect. We undertake no obligation to update this opinion in respect of any such changes.

The opinion is rendered solely to you in connection with the above matter. This opinion may not be relied upon by you for any other purposes or relied upon or furnished to any other person without our prior written consent.

We hereby consent to the use of this opinion as an exhibit to the Registration Statement and to the reference to our name under the caption "Legal Matters" in the prospectus included in the Registration Statement.

Very truly yours,

COOPERMAN LEVITT WINIKOFF
LESTER & NEWMAN, P.C.

BY /s/ Mark L. Lubin

EXHIBIT 10.1

MANAGEMENT AGREEMENT

THIS MANAGEMENT AGREEMENT (this "Agreement") is made and entered into as of the 27th day of December, 1996, by and between Mediacom Arizona LLC, a Delaware limited liability company (the "Company"), and Mediacom Management Corporation, a Delaware corporation ("Manager").

WHEREAS, the Company owns and operates cable television systems serving the communities listed on Schedule A hereto (as may be amended from time to time pursuant to the terms hereof, the "Systems"); and

WHEREAS, the Company desires to engage Manager, and Manager desires to accept such engagement, to provide certain supervisory services as the manager of the Systems on a day-to-day basis, such services to be provided by Manager in accordance with the terms and conditions herein set forth.

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

1. Definitions. Except as otherwise defined herein, the following terms shall have the following meanings when used in this Agreement:

"Act" shall mean the Communications Act of 1934, as amended or modified from time to time, and any rules or regulations promulgated thereunder.

"Affiliate" shall mean, with respect to either the Company or Manager, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such party.

"Agency Account" shall have the meaning given to it in Section 7(a) of this Agreement.

"Effective Date" shall mean the date of this Agreement first above written.

"FCC" shall mean the United States Federal Communications Commission.

"FCC Licenses(s)" shall mean all federal domestic satellite, business radio and other communications licenses, permits and other authorizations (but not including any Franchise or Permit) which are necessary to conduct the business or operations of the Systems.

"Fiscal Year" shall mean a fiscal year of the Company.

"Franchise(s)" shall mean all municipal, county or state franchises, or other authorizations, and applications therefor, which are necessary in connection with the operation of the Systems.

"Franchise Areas" shall mean those areas for which the Company or its subsidiaries holds Franchises.

"Gross Operating Revenues" shall mean the aggregate gross operating revenues derived by the Systems from all sources as determined in accordance with generally accepted accounting principles except those items expressly excluded pursuant to the next sentence. The term "Gross Operating Revenues" shall not mean revenue or income derived by the Company and its wholly-owned companies from any of the following sources: (a) from the sale of any asset of the Systems not in the ordinary course of business; (b) interest income; (c) proceeds from the financing or refinancing of any indebtedness of the Company and its subsidiaries; and (d) extraordinary gains in accordance with generally accepted accounting principles.

"Management Fee" shall have the meaning given to it in Section 8.1(a) of this Agreement.

"Permit(s)" shall mean any federal, state or local license, permit or other governmental or nongovernmental authorization, other than a Franchise or an FCC License, which is necessary to the conduct of the business or operations of the Systems.

"Person" shall mean any individual, corporation, partnership, joint venture, trust or unincorporated organization, or a government or any agency or political subdivision thereof.

2. Appointment of Manager. Upon the terms and conditions and for the term and compensation set forth herein, the Company hereby engages Manager, and Manager hereby accepts such engagement, as manager of the day-to-day operations of the Systems and subject to the direction and control of the Company.

3. Term. The appointment of the Manager shall commence on the Effective Date, and shall continue until the dissolution and

liquidation of the Company, unless sooner terminated as provided in Section 9 hereof.

4. Standard of Care; Management Services; Other Matters.

4.1 Standard of Care. Manager will use reasonable commercial efforts in managing the Systems, provided, however, that notwithstanding anything contained herein or in applicable law to the contrary, neither Manager (nor any of its shareholders, officers, directors, employees or agents) shall have any liability, express or implied, for any action taken or omitted to be taken by Manager or for any failure or delay in performing or exercising any obligation, duty, right, power or authority possessed by Manager under this Agreement or any other document related thereto except for actual losses, if any, suffered by the Company and/or its subsidiary companies that are proximately caused either by Manager's gross negligence or by Manager's willful misconduct.

4.2 Services to be Performed by Manager. Subject to the terms and provisions of this Agreement and to the terms of any applicable law (including without limitation the Act), regulation, Franchise, FCC License, Permit, court order or administrative enactment pertaining to the Systems, Manager is hereby granted authority to perform, or cause to be performed, for and on behalf of the Company and its subsidiaries, such services as are reasonably required for the management and supervision of the day-to-day operation of the Systems, including without limitation, the following:

(a) Negotiation on behalf of the Company for programming and transmission over the Systems, including, without limitation, retransmission, affiliation, carriage, programming and bulk subscriber agreements;

(b) (i) Evaluating new equipment, materials and techniques and making recommendations in accordance with its evaluations, (ii) establishing general technical standards and procedures and directing their implementation, and (iii) establishing programs for preventive maintenance and monitoring their effectiveness;

(c) Supervision of all construction and development of the Systems, if any, including, without limitation, the selection and appointment of all subcontractors, equipment suppliers and vendors;

(d) Supervision of the purchasing of property, real, personal or mixed, and all materials and supplies, if any, necessary to complete construction and development of the Systems and to operate the same and to sell, lease, trade, exchange or otherwise dispose of the Systems' assets in the ordinary course of business.

(e) Negotiation of contracts, leases, deeds, releases, assignments and any other agreements on behalf of the Company or its wholly-owned companies as appropriate, for the purchase, lease, license or use of such properties and rights as may be necessary or reasonably desirable in connection with the construction, operation or maintenance of the Systems, including, without limitation, contracts relating to head end sites, office space, earth stations, microwave relays and pole line attachments;

(f) Formulation and supervision of all advertising, marketing and sales programs and engagement and appointing on behalf of the Systems of advertising, marketing and public relations agencies and consultants for such purposes;

(g) Subject to the provisions of all applicable Franchises or ordinances or other binding contracts or legislation, the selection and pricing of all services to be provided to the customers of the Systems;

(h) Supervision of performance of all aspects of the daily operation and maintenance of the Systems, including, without limitation, the employment, training, instruction and supervision of all personnel necessary to conduct daily operations of the Systems and the setting of salaries and wages for such personnel (with all such employees to be paid by the Company or its wholly owned companies as appropriate) and entering into, in the name of and on behalf of the Company or its wholly-owned companies as appropriate, any agreements, including, without limitation, collective bargaining agreements, with employees of the Company;

(i) Supervision of the maintenance of all accounting, bookkeeping, billing, collections and other financial records relating to the Systems;

(j) Engaging on behalf of the Company or its subsidiaries, as appropriate, attorneys, accountants, engineers, consultants and other qualified professionals;

(k) Preparing and filing, or causing to be prepared and filed, all necessary applications, filings, reports, statements and other documents as are required in connection with the operation of the Systems with governmental and regulatory agencies (including any income tax filings); provided that upon request of the Company, Manager will provide to the Company a copy of all applications, filings, reports, statements or other documents before the same are filed or submitted; and provided further that it is understood that income tax filings of the Company shall be signed by a nationally recognized accounting firm selected by the Company and with whom the Manager shall cooperate;

(l) Manager shall do, or cause to be done, all such acts and things in and about the Systems, including the making of all payments, taxes, assessments, fees, charges, royalties and other levies as shall be necessary to comply in all material respects with all federal state and local regulatory or other requirements;

(m) Purchase such policies of insurance (including Manager's blanket coverage) as Manager may from time to time consider necessary and appropriate in accordance with normal industry practice, with such policy naming both the Company and Manager as insured thereunder as their interests may appear;

(n) Maintenance of a continuing liaison with federal, state and local governmental officials regarding the Franchises, FCC Licenses, Permits, pole line agreements, leases and other contracts, rights and licenses of the Systems which require periodic review and/or renegotiation;

(o) Application of commercially reasonable efforts to cause the Systems to comply in all material respects with the requirements of the statute, ordinance, law, rule, regulation, Permit, Franchise or FCC License applicable to, or order of, any governmental or regulatory body having jurisdiction over, the Systems; and

(p) Taking any other action in connection with the construction, development, operation and maintenance of the Systems which is commercially reasonable, appropriate and necessary in order to manage and operate the Systems.

4.3 Compliance with FCC Licenses, Franchises and Permit Requirements; Payment of Expenses. Notwithstanding anything in this Agreement to the contrary, the Company or its subsidiaries, as appropriate, shall continue to be the franchisee, licensee and permittee of all Franchises, FCC Licenses and Permits, respectively, and shall retain ultimate control over the Systems and their assets, including all Franchises, FCC Licenses and Permits. The Company and its subsidiaries shall also retain ultimate responsibility for compliance with the rules, regulations and policies of the FCC, and the terms of the Act, the terms of the Franchises and applicable state and local laws, rules and regulations. Manager agrees to comply with instructions from the Company to the extent necessary to remain in compliance with respect to the Act and the rules, regulations and policies of the FCC and of all franchising authorities from which the Company or its subsidiaries have received Franchises. Manager shall use commercially reasonable efforts to promptly forward to the Company copies of all material correspondence, notices and the like from governmental authorities having jurisdiction over the Company and its subsidiaries. The Company and its subsidiaries shall be responsible for the payment of all costs, expenses and liabilities in connection with the construction, development, operation, maintenance, repair and ownership of the Systems.

5. Manager's Authority and Limitations Thereon.

Subject to the limitations contained in this Agreement, Manager shall have authority to execute in the name and on behalf of the Company or its subsidiaries, as appropriate, all such instruments, documents, contracts or agreements, including, without limitation, contracts or agreements entered into in the ordinary course, and to do all such acts and things, as may be incidental to, or necessary, proper or advisable in furtherance of, the supervision and management of the operation of the Systems and the rendering of services related thereto; provided, however, that Manager shall not:

(a) Commence, institute or settle any legal action except in accordance with established collection policies of the Systems; provided that Manager may, without consent of the Company (1) settle any action that does not require a settlement payment exceeding One Hundred Thousand Dollars ($100,000); and (2) institute any action so long as Manager reasonably believes that there will be no cross-claims or counter-claims against the Company (or its subsidiaries) in excess of $100,000. Notwithstanding the foregoing, if any action is taken by any Person which constitutes an immediate threat to the business or operations of the Systems, Manager may take such emergency action as may be reasonably required, including commencing any action requesting affirmative relief from any court or administrative agency, provided that Manager shall use its best efforts to communicate with the Company by telephone prior to, or if it is unable to do so, as soon as is commercially reasonably possible immediately after taking any such emergency action. Manager shall promptly notify the Company in writing of any legal proceeding of which Manager has knowledge or any legal proceeding threatened in writing or any fact known by Manager which might result in a material adverse effect on the Systems of material liability against the Company or its subsidiaries;

(b) Create, incur or suffer to exist any Indebtedness (as such term is used in the Amended and Restated Credit Agreement, dated as of December 27, 1996 (the "Credit Agreement") among Mediacom California, the Company, the lenders party thereto, and The Chase Manhattan Bank (the "Administrative Agent") other than as permitted under Section 8.07 of the Credit Agreement;

(c) Enter into any agreements or transactions or obtain any services on behalf of the Company or the Systems with or from any Affiliate of Manager without the prior written consent of Company except for agreements or transactions on terms that are no less favorable to the Company, or its subsidiaries, as appropriate, than those which might be obtained at the time from a person or entity who is not an Affiliate of Manager in an arm's length transaction;

(d) Sell, assign, transfer or otherwise dispose of, or hypothecate or encumber in any way any assets belonging to the Company or its subsidiaries, used or useful in the business or operations of the Systems, other than (i) sales of assets in the ordinary course of business and permitted under loan agreements of the Company and its subsidiaries, or (ii) the granting of purchase money security interests attaching only to newly-acquired property or assets acquired in the ordinary course in accordance with loan agreements of the Company and its subsidiaries;

(e) Enter into any agreement on behalf of the Company for borrowed money; provided that nothing herein shall prohibit Manager from entering into capitalized leases or purchase money security interests that both (i) with respect to any particular item do not involve payments in the aggregate exceeding $200,000; and (ii) are permitted under the terms of loan agreements of the Company and its subsidiaries; and

(f) Enter into any agreement prohibited by applicable law, including, without limitation, the Act.

6. Financial and Systems Reports.

Manager acknowledges that the Credit Agreement contains various financial reporting requirements of the Company and Manager hereby agrees to cause to prepare and deliver to the Company, at the expense of the Company, the following in a timely fashion so that the Company can deliver the same to the lenders as required by the Credit Agreement:

(a) statements of income, retained earnings and cash flows of the Company for each quarterly fiscal period of each fiscal year of the Company and for the period from the beginning of the respective fiscal year to the end of such period, and the related balance sheets of the Company as at the end of such period setting forth, in each case (other than financial statements for any period ending on or prior to December 31, 1996) in comparative form the corresponding consolidated figures for the corresponding period 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);

(b) statements of income, retained earnings and cash flows of the Company for each fiscal year of the Company, fiscal year and the related balance sheets of the Company as at the end of such fiscal year, setting forth, in each case (other than financial statements for the fiscal year ending on December 31, 1996) in comparative form the corresponding consolidated figures for the preceding fiscal year;

(c) copies of all registration statements and regular periodic reports, if any, that the Company 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 to the members of the Company generally or to holders of Indebtedness to Affiliates generally, copies of all financial statements, reports and proxy statements so mailed;

(e) any information pertaining to any multiemployer plan, employee benefit or other plan established or maintained by the Company or an Affiliate which is covered by Title VII of ERISA;

(f) a quarterly report with respect to the number of subscribers to the Systems, homes passed, revenues per subscriber and units;

(g) promptly after the Manager knows or has reason to believe that any Default (as defined in the Credit Agreement) is likely to occur or 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 Manager recommends that the Company should take with respect thereto; and

(h) from time to time such other information regarding the financial condition, operations, business or prospects of the Company as requested by the Company or any lender to the Company may reasonably request.

7. Agency Accounts; Working Funds.

(a) Agency Accounts. Manager will, maintain on behalf of, and as agent for, the Company and/or its subsidiaries, as appropriate, checking accounts in the name of the Company and/or its subsidiaries, as appropriate (the "Agency Accounts") at a bank or banks selected by Manager and reasonably acceptable to the Company. All receipts derived from the operation of the Systems shall be collected on behalf of the Company, as appropriate and promptly deposited in an Agency Account. All disbursements made by Manager on behalf of the Company as appropriate as permitted under this Agreement shall be made by checks drawn by Manager on the Agency Accounts. Manager will have the right and authority to make deposits to and disbursements and withdrawals from the Agency Accounts. Manager will have the right and authority to disburse or have disbursed from the Agency Accounts payments for all expenses, costs and liabilities in connection with the construction, development, operation, maintenance, repair and ownership of the Systems and the Company and its subsidiaries, including, without limitation:

(i) all costs and expenses of employees of the Company and of the Systems and reasonable fees and expenses of outside counsel, consultants, engineers, accountants or other professionals whose services are used in the operation or management of the Systems (including, without limitation, costs and

expenses of any accounting firm selected to sign tax filings for the Company); and

(ii) Management Fees earned by Manager under this Agreement, reimbursement of expenses of Manager, and interest in respect of deferred Management Fees, in each case as contemplated in Section 8 below.

(b) In no event will Manager be responsible for the payment from its own funds of any sums in connection with the construction, development, operation, maintenance, repair and ownership of the Systems and the Company and its subsidiaries (including without limitation, any taxes) and the Company and its subsidiaries shall be solely responsible for the payment of all such amounts.

8. Compensation of Manager.

8.1 Management Fee.

(a) As compensation to Manager for the performance of its services hereunder, the Company shall pay to Manager a fee (the "Management Fee") each year equal to five percent (5%) of Gross Operating Revenues.

(b) Monthly installments of the Management Fee at the rate of five percent (5%) of the Gross Operating Revenues for such month (subject in all events to any limitations imposed under applicable loan agreements) shall be paid by the Company to Manager within ten (10) days after the end of each month. Within twenty (20) days of the receipt by the Company of the annual audited financial statements, a final determination of the Gross Operating Revenues, for the preceding Fiscal Year shall be made by the parties, and the parties shall then determine the Management Fee for the preceding Fiscal Year. In the event that such final determination indicates that the Company has paid Manager less than the Management Fee, the Company shall owe to Manager an amount in addition to that paid by the Company to Manager pursuant to the first sentence of this Section 8.1(b), and the Company shall pay such additional amount to Manager within ten (10) days of such final determination. In the event that such final determination indicates that the Company has paid Manager more than Management Fee, Manager shall owe to the Company such amount, and such amount shall be applied as a credit to the immediately succeeding monthly installment of the Management Fee, and, to the extent the amount owed by Manager to the Company exceeds such installment, Manager shall pay such excess amount to the Company within ten (10) days of such final determination.

(c) Manager acknowledges and agrees that notwithstanding anything else contained herein, payment of the Management Fee may be restricted or limited by the provisions of loan agreements of the Company, including without limitation the Credit Agreement, and that the Management Fee shall be paid if and only to the extent that at the time of such payment no default has occurred or is continuing under applicable loan agreements. To the extent that all or any portion of the Management Fee may not be paid because of the terms of the loan agreements, the amount which may not be paid shall not be paid, but shall be deferred (and such deferral shall not constitute a breach of the Company's obligations hereunder), and the deferred portion shall bear interest from the date due until paid at a rate per annum equal to the lower of (i) one percent (1%) above the rate announced from time to time by The Chase Manhattan Bank at its main office in New York, New York as its prime or base lending rate or (ii) the highest rate then permitted by applicable law. Subject to the terms of the preceding sentence, Manager may deduct the Management Fee and such other amounts to which it may be entitled under this Agreement from funds in the Agency Accounts. Any portion of the Management Fee that is deferred) shall be paid (together with interest thereon) as soon as the same may be paid without violating the provisions of the loan agreements. Payments of any outstanding Management Fees (whether or not deferred) shall be paid prior to payment of any dividends or distributions or similar payments to the members of the Company.

8.2 Reimbursement of Manager. (a) Manager acknowledges and agrees that Manager and not the Company shall be responsible for the compensation, including salaries, withholding taxes, unemployment insurance contributions, pension, health and other benefits of Manager's executive management personnel (all such compensation being herein collectively called "Executive Compensation"). 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. Except for Executive Compensation (intended to be covered by the Management Fee), Manager shall be entitled to reimbursement by the Company for the allocable costs (including, without limitation, salaries, withholding taxes, unemployment insurance contributions and the like) of employees of Manager or its Affiliates who perform services that would ordinarily be performed by employees of the Systems. Manager shall act in good faith in making such allocation. Manager shall have the right to use such shared employees without pre-approval of the Company and receive reimbursement therefor; provided, however, the Company shall have the right, after consultation with Manager, to direct the Manager no longer to continue using such shared employees in such situations as Company shall determine.

(b) Manager shall be entitled to reimbursement from the Company for reasonable out-of-pocket expenses incurred by Manager (excluding Executive Compensation and overhead allocated in respect of the executive management of the business or operations at the Company or any of its subsidiaries, including rent, utilities, telephone and telecopy charges, furniture, fixtures and the like) in connection with (i) the operation of the business of the Company, including without limitation, travelling to and visiting the Systems, and (ii) investigating, analyzing, negotiating or otherwise acting for or on behalf of the Company or its subsidiaries in connection with any potential acquisition by the Company or its subsidiaries of a CATV System. Manager shall provide to the Company notice and an accounting at any time the reimbursable amount of the foregoing expenses exceeds $10,000 over the amount previously reported.

(c) Neither the Company nor any of its 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 Company or any of its subsidiaries), it being the intention of the parties hereto that all executive management personnel (as defined in Section 8.1(a) above) required in connection with the business or operations of the Company and its subsidiaries shall be employees of the Manager (and that the Executive Compensation for such employees shall be covered by the Management Fees payable hereunder.

9. Termination.

9.1 (a) If Manager materially breaches this Agreement and Manager fails to cure such breach within 20 days after receipt of written notice from the Company advising Manager of the action allegedly resulting in such breach (or, if such breach is not susceptible of cure within such period, fails to cure such breach as promptly as possible, but in any event, within 60 days after receipt of written notice from the Company), provided that the foregoing 60 day cure period will not apply to any willful breach of this Agreement by Manager; (b) if Manager, or any employee or consultant thereof, engages in any act of gross negligence, dishonesty, willful malfeasance or gross misconduct that is materially injurious to the Company and its subsidiaries taken as a whole; (c) if any lender shall, following default under any loan agreement (including, without limitation, the Credit Agreement) consummate foreclosure proceedings with respect to the equity interests or assets of the Company; or (d) if the Manager will be unable to pay its debts as such debts become due (whether upon maturity, acceleration or otherwise), then the Company (or in the case of clause (c), such lender) may elect, by written notice to Manager, to terminate this Agreement. Any such termination shall be effective as of the date specified in the notice of termination.

9.2 Effect of Termination. Subject to the provisions of this Agreement, termination of this Agreement in accordance with Section 9.1 shall not affect the rights of either Manager or the Company with respect to any damages either shall have suffered as a result of any breach of this Agreement, nor shall it affect the rights of Manager or the Company with respect to any liabilities or claims accruing, or based upon events occurring, prior to the date of termination.

10. Indemnification.

(a) By the Company. The Company will indemnify and hold harmless Manager, its Affiliates, and all officers, directors, employees, stockholders, partners and agents of Manager and its Affiliates (individually, a "Manager Indemnitee") from and against any and all claims, demands, costs, damages, losses, liabilities, joint and several, expenses of any nature (including reasonable attorneys', accountants' and experts' fees and disbursements), judgments, fines, settlements and other amounts (collectively, "Damages") arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative, or investigative (collectively, "Claims") in which the Manager Indemnitee may be involved or threatened to be involved, as a party or otherwise, arising out of Manager's performance under this Agreement or the ownership or operation of the Systems or the Company (and its subsidiaries), regardless of whether this Agreement continues to be in effect or the Manager Indemnitee continues to be an Affiliate, or an officer, director, employee, stockholder, contractor, subcontractor, partner or agent of Manager, at the time any such Claims are made or Damages incurred, provided that such indemnity shall not apply to any claims or Damages incurred due to the Manager Indemnitee's gross negligence or willful misconduct.

(b) By Manager. Manager will indemnify and hold harmless the Company, its Affiliates, and all of their officers, managers, employees, members, partners and agents of Company or its Affiliates (individually, a "Company Indemnitee") and its subsidiaries from and against any and all Damages arising from any and all Claims in which the Company Indemnitee may be involved or threatened to be involved, as a party or otherwise, arising out of either Manager's gross negligence or willful misconduct regardless of whether this Agreement continues to be in effect or the Company Indemnitee continues to be an Affiliate, or an officer, director, employee, stockholders, partner or agent of the Company or its Affiliates at the time any such Claims are made or Damages incurred.

(c) Right to Indemnification Not Exclusive Remedy. The indemnification rights contained in this Section 10 will be cumulative of and in addition to any and all other rights, remedies and recourse to which the Manager Indemnitee or a Company Indemnitee, as applicable, its respective heirs, successors, assigns and administrators are entitled, whether pursuant to some other provision of this Agreement, at law or in equity; provided, however, that it is understood and agreed that notwithstanding anything contained herein or applicable law to the contrary, neither Manager (nor any of its shareholders, officers, directors, employees or agents) shall have any liability with respect to a breach of, or non-performance under this Agreement except as expressly specified in this Agreement. The indemnification provided in this Section 10 will inure to the benefit of heirs, successors, assigns and administrators of the Manager Indemnitee or Company Indemnitee, as applicable.

(d) Insurance. Manager may purchase, at the Company's expense, and maintain insurance on behalf of Manager and such other persons as Manager may reasonably determine, against any liability that may be asserted against it or them in connection with the performance of Manager's obligations under this Agreement; provided that if Manager elects not to purchase such insurance its indemnity hereunder shall not be affected.

(e) Interested Transactions. A Manager Indemnitee or a Company Indemnitee, as applicable, will not be denied indemnification in whole or in part under this Section 10 solely because such Indemnitee had an interest in the transaction with respect to which the Indemnification applies if this transaction was otherwise permitted by the terms of this Agreement.

11. Credit Agreement and Subordination Agreement. Manager hereby acknowledges the terms and provisions of the Credit Agreement and Amended and Restated Management Fee Subordination Agreement executed and delivered pursuant to the Credit Agreement (the "Subordination Agreement"), among Manager, Mediacom California, the Company and the Administrative Agent and agrees that if any provision of this Agreement conflicts with any of the terms contained in the Credit Agreement or Subordination Agreement, the provisions of said agreements shall govern and the provisions hereof shall be modified or negated accordingly.

12. Representations and Warranties of the Parties.

12.1 Representations of Manager. Manager hereby represents and warrants to the Company as follows:

(a) Organization and Standing. Manager is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware.

(b) Authorization and Binding Obligation. Manager has full power and authority to enter into, deliver and perform fully this Agreement. This Agreement has been duly executed and delivered by Manager, and constitutes the valid and binding obligation thereof, enforceable against Manager in accordance with its terms, except to the extent such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally, and by the application of equitable principles.

(c) No Conflict. The execution, delivery and performance by Manager of this Agreement does not conflict with or result in a breach of, or require any consent under, the charter or by-laws of the Manager, or any applicable material law or regulation, or any order, writ, injunction or decree of any court or governmental authority or agency, or any material agreement or instrument to which the Manager is a party or by which it is bound or to which it is subject, or constitute a default under any such agreement or instrument.

12.2 <u>Representations and Warranties of the Company</u>. The Company hereby represents and warrants to Manager as follows:

(a) <u>Organization and Standing</u>. The Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware.

(b) <u>Authorization and Binding Obligation</u>. The Company has full power and authority to enter into, deliver and perform fully this Agreement. This Agreement has been duly executed and delivered by the Company, and constitutes the valid and binding obligation thereof, enforceable against the Company in accordance with its terms, except to the extent such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally, and by the application of equitable remedies.

(c) <u>No Conflict</u>. The execution, delivery and performance by the Company of this Agreement does not conflict with or result in a breach of, or require any consent under, the charter or by-laws of the Company, or any applicable material law or regulation, or any order, writ, injunction or decree of any court or governmental authority or agency, or any material agreement or instrument to which the Company is a party or by which it is bound or to which it is subject, or constitute a default under any such agreement or instrument.

13. <u>Miscellaneous</u>.

13.1 <u>Manager an Agent</u>. Manager shall serve as an agent of the Company in rendering the services set forth herein. Nothing herein shall be construed as an agreement by Manager to bear any losses of the Systems or the Company; provided that this provision shall not be deemed to limit Manager's responsibility for any liability to the Company arising under this Agreement in accordance with the terms hereof. All debts and liabilities to third parties incurred by Manager in the course of the management of the Systems shall be the debts and liabilities of the Company and Manager shall not be liable for any such obligations by reason of its management of the Systems.

13.2 <u>Other Activities</u>. Nothing in this Agreement shall limit or restrict the right of Manager to engage in any other business or to devote its time and attention to the management or other aspects of any other business or to render services of any kind.

13.3 <u>Notices</u>. All notices, demands, and requests required or permitted to be given under this Agreement shall be in writing and shall be deemed duly given if (i) personally delivered, (ii) sent by registered or certified mail, postage pre-paid, return receipt requested, or (iii) transmitted by a recognized overnight courier service, addressed as follows:

If to the Company: Mediacom Arizona LLC
c/o Mediacom LLC
90 Crystal Run Road, Suite 406A
Middletown, New York 10940
Attention: Rocco B. Commisso

If to Manager: Mediacom Management Corporation
90 Crystal Run Road, Suite 406A
Middletown, New York 10940
Attention: President

or to any such other additional persons and addresses as the parties may from time to time designate in writing delivered in accordance with this Section 13.3.

13.4 Benefit and Binding Effect. Neither party hereto may assign this Agreement without the prior written consent of the other party; provided, however, Manager may assign its rights an obligations under this Agreement to any wholly-owned subsidiary of Manager; provided that in such event Manager shall remain liable hereunder and shall remain entitled to the rights provided it hereunder. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

13.5 Governing Law. This Agreement shall be governed by the laws of the State of New York as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies (without giving effect to the principles of conflicts of law).

13.6 Headings. The headings preceding the text of sections and subsections of this Agreement are included for ease of reference only and shall not be deemed part of this Agreement.

13.7 Gender and Number. Words used herein regardless of the gender and number specifically used, shall be deemed and construed to include any other gender, masculine, feminine or neuter, and any other number, singular or plural, as the context requires.

13.8 Entire Agreement. This Agreement, and all schedules hereto, collectively represent the entire understanding and agreement between the Company and Manager with respect to the specific subject matter hereof. All schedules attached to this Agreement shall be deemed part of this Agreement and incorporated herein, where applicable, as if fully set forth herein. This Agreement supersedes all prior negotiations between the parties and cannot be amended, supplemented or changed except by an agreement in writing which makes specific reference to this Agreement or an agreement delivered pursuant hereto, as the case may be, and which is signed by the party against which enforcement of any such amendment, supplement or modification is sought.

13.9 Further Assurances. The parties shall take any actions and execute any documents that may be necessary or desirable to the implementation and consummation of this Agreement or that may be reasonably requested by any other party hereto. Each party will cooperate with the other parties and provide any assistance reasonably requested by any other party to effectuate the terms of this Agreement.

13.10 Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall be held invalid or unenforceable to any extent by any court of competent jurisdiction, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

13.11 Counterparts. This Agreement may be signed in counterparts, each of which shall be deemed to be an original but which, when taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, this Management Agreement has been executed by the parties hereto as of the date first above written.

MEDIACOM ARIZONA LLC

BY: MEDIACOM LLC, A MEMBER

By: /s/ Rocco B. Commisso

Name: Rocco B. Commisso
Title: Chairman and
Chief Executive Officer

MEDIACOM MANAGEMENT CORPORATION

By: /s/ Rocco B. Commisso

Name: Rocco B. Commisso
Title: President

SCHEDULE A

The Systems serve areas in and around the communities of Nogales, Rio Rico, Amado and Ajo, Arizona and are located in the Counties of Pima and Santa Cruz, Arizona.

EXHIBIT 10.2

FIRST AMENDED AND RESTATED MANAGEMENT AGREEMENT

THIS FIRST AMENDED AND RESTATED MANAGEMENT AGREEMENT (this "Agreement") is made and entered into as of the 27th day of December, 1996, by and between Mediacom California LLC, a Delaware limited liability company (the "Company"), and Mediacom Management Corporation, a Delaware corporation ("Manager").

WHEREAS, the Company owns and operates cable television systems, is on the date hereof acquiring an additional cable television system, and has acquired an Internet communications node, such cable television systems and Internet communications node serving the communities listed on Schedule A hereto (as may be amended from time to time pursuant to the terms hereof, the "Systems"); and

WHEREAS, the Company desires to engage Manager, and Manager desires to accept such engagement, to provide certain supervisory services as the manager of each of the Systems on a day-to-day basis, such services to be provided by Manager in accordance with the terms and conditions herein set forth.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree that the Management Agreement is hereby amended and rested in its entirety as follows:

1. Definitions. Except as otherwise defined herein, the following terms shall have the following meanings when used in this Agreement:

"Act" shall mean the Communications Act of 1934, as amended or modified from time to time, and any rules or regulations promulgated thereunder.

"Affiliate" shall mean, with respect to either the Company or Manager, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such party.

"Agency Account" shall have the meaning given to it in Section 7(a) of this Agreement.

"Effective Date" shall mean the date of this Agreement first above written.

"FCC" shall mean the United States Federal Communications Commission.

"FCC Licenses(s)" shall mean all federal domestic satellite, business radio and other communications licenses, permits and other authorizations (but not including any Franchise or Permit) which are necessary to conduct the business or operations of the Systems.

"Fiscal Year" shall mean a fiscal year of the Company.

"Franchise(s)" shall mean all municipal, county or state franchises, or other authorizations, and applications therefor, which are necessary in connection with the operation of the Systems.

"Franchise Areas" shall mean those areas for which the Company or its subsidiaries holds Franchises.

"Gross Operating Revenues" shall mean the aggregate gross operating revenues derived by the Systems from all sources as determined in accordance with generally accepted accounting principles except those items expressly excluded pursuant to the next sentence. The term "Gross Operating Revenues" shall not mean revenue or income derived by the Company and its wholly-owned companies from any of the following sources: (a) from the sale of any asset of the Systems not in the ordinary course of business; (b) interest income; (c) proceeds from the financing or refinancing of any indebtedness of the Company and its subsidiaries; and (d) extraordinary gains in accordance with generally accepted accounting principles.

"Management Fee" shall have the meaning given to it in Section 8.1(a) of this Agreement.

"Permit(s)" shall mean any federal, state or local license, permit or other governmental or nongovernmental authorization, other than a Franchise or an FCC License, which is necessary to the conduct of the business or operations of the Systems.

"Person" shall mean any individual, corporation, partnership, joint venture, trust or unincorporated organization, or a government or any agency or political subdivision thereof.

2. Appointment of Manager. Upon the terms and conditions and for the term and compensation set forth herein, the Company hereby engages Manager, and Manager hereby accepts such engagement, as manager of the day-to-day operations of the Systems and subject to the direction and control of the Company.

3. Term. The appointment of the Manager shall commence on the Effective Date, and shall continue until the dissolution and liquidation of the Company, unless sooner terminated as provided in Section 9 hereof.

4. Standard of Care; Management Services; Other Matters.

4.1 Standard of Care. Manager will use reasonable commercial efforts in managing the Systems, provided, however, that notwithstanding anything contained herein or in applicable law to the contrary, neither Manager (nor any of its shareholders, officers, directors, employees or agents) shall have any liability, express or implied, for any action taken or omitted to be taken by Manager or for any failure or delay in performing or exercising any obligation, duty, right, power or authority possessed by Manager under this Agreement or any other document related thereto except for actual losses, if any, suffered by the Company and/or its subsidiary companies that are proximately caused either by Manager's gross negligence or by Manager's willful misconduct.

4.2 Services to be Performed by Manager. Subject to the terms and provisions of this Agreement and to the terms of any applicable law (including without limitation the Act), regulation, Franchise, FCC License, Permit, court order or administrative enactment pertaining to the Systems, Manager is hereby granted authority to perform, or cause to be performed, for and on behalf of the Company and its subsidiaries, such services as are reasonably required for the management and supervision of the day-to-day operation of the Systems, including without limitation, the following:

(a) Negotiation on behalf of the Company for programming and transmission over the Systems, including, without limitation, retransmission, affiliation, carriage, programming and bulk subscriber agreements;

(b) (i) Evaluating new equipment, materials and techniques and making recommendations in accordance with its evaluations, (ii) establishing general technical standards and procedures and directing their implementation, and (iii) establishing programs for preventive maintenance and monitoring their effectiveness;

(c) Supervision of all construction and development of the Systems, if any, including, without limitation, the selection and appointment of all subcontractors, equipment suppliers and vendors;

(d) Supervision of the purchasing of property, real, personal or mixed, and all materials and supplies, if any, necessary to complete construction and development of the Systems and to operate the same and to sell, lease, trade, exchange or otherwise dispose of the Systems' assets in the ordinary course of business.

(e) Negotiation of contracts, leases, deeds, releases, assignments and any other agreements on behalf of the Company or its wholly-owned companies as appropriate, for the purchase, lease, license or use of such properties and rights as may be necessary or reasonably desirable in connection with the construction, operation or maintenance of the Systems, including, without limitation, contracts relating to head end sites, office space, earth stations, microwave relays and pole line attachments;

(f) Formulation and supervision of all advertising, marketing and sales programs and engagement and appointing on behalf of the Systems of advertising, marketing and public relations agencies and consultants for such purposes;

(g) Subject to the provisions of all applicable Franchises or ordinances or other binding contracts or legislation, the selection and pricing of all services to be provided to the customers of the Systems;

(h) Supervision of performance of all aspects of the daily operation and maintenance of the Systems, including, without limitation, the employment, training, instruction and supervision of all personnel necessary to conduct daily operations of the Systems and the setting of salaries and wages for such personnel (with all such employees to be paid by the Company or its wholly owned companies as appropriate) and entering into, in the name of and on behalf of the Company or its wholly-owned companies as appropriate, any agreements, including, without limitation, collective bargaining agreements, with employees of the Company;

(i) Supervision of the maintenance of all accounting, bookkeeping, billing, collections and other financial records relating to the Systems;

(j) Engaging on behalf of the Company or its subsidiaries, as appropriate, attorneys, accountants, engineers, consultants and other qualified professionals;

(k) Preparing and filing, or causing to be prepared and filed, all necessary applications, filings, reports, statements and other documents as are required in connection with the operation of the Systems with governmental and regulatory agencies (including any income tax filings); provided that upon request of the Company, Manager will provide to the Company a copy of all applications, filings, reports, statements or other documents before the same are filed or submitted; and provided further that it is understood that income tax filings of the Company shall be signed by a nationally recognized accounting firm selected by the Company and with whom the Manager shall cooperate;

(l) Manager shall do, or cause to be done, all such acts and things in and about the Systems, including the making of all payments, taxes, assessments, fees, charges, royalties and other levies as shall be necessary to comply in all material respects with all federal state and local regulatory or other requirements;

(m) Purchase such policies of insurance (including Manager's blanket coverage) as Manager may from time to time consider necessary and appropriate in accordance with normal industry practice, with such policy naming both the Company and Manager as insured thereunder as their interests may appear;

(n) Maintenance of a continuing liaison with federal, state and local governmental officials regarding the Franchises, FCC Licenses, Permits, pole line agreements, leases and other contracts, rights and licenses of the Systems which require periodic review and/or renegotiation;

(o) Application of commercially reasonable efforts to cause the Systems to comply in all material respects with the requirements of the statute, ordinance, law, rule, regulation, Permit, Franchise or FCC License applicable to, or order of, any governmental or regulatory body having jurisdiction over, the Systems; and

(p) Taking any other action in connection with the construction, development, operation and maintenance of the Systems which is commercially reasonable, appropriate and necessary in order to manage and operate the Systems.

4.3 Compliance with FCC Licenses, Franchises and Permit Requirements; Payment of Expenses. Notwithstanding anything in this Agreement to the contrary, the Company or its subsidiaries, as appropriate, shall continue to be the franchisee, licensee and permittee of all Franchises, FCC Licenses and Permits, respectively, and shall retain ultimate control over the Systems and their assets, including all Franchises, FCC Licenses and Permits. The Company and its subsidiaries shall also retain ultimate responsibility for compliance with the rules, regulations and policies of the FCC, and the terms of the Act, the terms of the Franchises and applicable state and local laws, rules and regulations. Manager agrees to comply with instructions from the Company to the extent necessary to remain in compliance with respect to the Act and the rules, regulations and policies of the FCC and of all franchising authorities from which the Company or its subsidiaries have received Franchises. Manager shall use commercially reasonable efforts to promptly forward to the Company copies of all material correspondence, notices and the like from governmental authorities having jurisdiction over the Company and its subsidiaries. The Company and its subsidiaries shall be responsible for the payment of all costs, expenses and liabilities in connection with the construction, development, operation, maintenance, repair and ownership of the Systems.

5. Manager's Authority and Limitations Thereon.

Subject to the limitations contained in this Agreement, Manager shall have authority to execute in the name and on behalf of the Company or its subsidiaries, as appropriate, all such instruments, documents, contracts or agreements, including, without limitation, contracts or agreements entered into in the ordinary course, and to do all such acts and things, as may be incidental to, or necessary, proper or advisable in furtherance of, the supervision and management of the operation of the Systems and the rendering of services related thereto; provided, however, that Manager shall not:

(a) Commence, institute or settle any legal action except in accordance with established collection policies of the Systems; provided that Manager may, without consent of the Company (1) settle any action that does not require a settlement payment exceeding One Hundred Thousand Dollars ($100,000); and (2) institute any action so long as Manager reasonably believes that there will be no cross-claims or counter-claims against the Company (or its subsidiaries) in excess of $100,000. Notwithstanding the foregoing, if any action is taken by any Person which constitutes an immediate threat to the business or operations of the Systems, Manager may take such emergency action as may be reasonably required, including commencing any action requesting affirmative relief from any court or administrative agency, provided that Manager shall use its best efforts to communicate with the Company by telephone prior to, or if it is unable to do so, as soon as is commercially reasonably possible immediately after taking any such emergency action. Manager shall promptly notify the Company in writing of any legal proceeding of which Manager has knowledge or any legal proceeding threatened in writing or any fact known by Manager which might result in a material adverse effect on the Systems of material liability against the Company or its subsidiaries;

(b) Create, incur or suffer to exist any Indebtedness (as such term is used in the Amended and Restated Credit Agreement, dated as of December 27, 1996 (the "Credit Agreement") among Mediacom Arizona, the Company, the lenders party thereto, and The Chase Manhattan Bank (the "Administrative Agent") other than as permitted under Section 8.07 of the Credit Agreement;

(c) Enter into any agreements or transactions or obtain any services on behalf of the Company or the Systems with or from any Affiliate of Manager without the prior written consent of Company except for agreements or transactions on terms that are no less favorable to the Company, or its subsidiaries, as appropriate, than those which might be obtained at the time from a person or entity who is not an Affiliate of Manager in an arm's length transaction;

(d) Sell, assign, transfer or otherwise dispose of, or hypothecate or encumber in any way any assets belonging to the Company or its subsidiaries, used or useful in the business or operations of the Systems, other than (i) sales of assets in the ordinary course of business and permitted under loan agreements of the Company and its subsidiaries, or (ii) the granting of purchase money security interests attaching only to newly-acquired property or assets acquired in the ordinary course in accordance with loan agreements of the Company and its subsidiaries;

(e) Enter into any agreement on behalf of the Company for borrowed money; provided that nothing herein shall prohibit Manager from entering into capitalized leases or purchase money security interests that both (i) with respect to any particular item do not involve payments in the aggregate exceeding $200,000; and (ii) are permitted under the terms of loan agreements of the Company and its subsidiaries; and

(f) Enter into any agreement prohibited by applicable law, including, without limitation, the Act.

6. Financial and Systems Reports.

Manager acknowledges that the Credit Agreement contains various financial reporting requirements of the Company and Manager hereby agrees to cause to prepare and deliver to the Company, at the expense of the Company, the following in a timely fashion so that the Company can deliver the same to the lenders as required by the Credit Agreement:

(a) statements of income, retained earnings and cash flows of the Company for each quarterly fiscal period of each fiscal year of the Company and for the period from the beginning of the respective fiscal year to the end of such period, and the related balance sheets of the Company as at the end of such period setting forth, in each case (other than financial statements for any period ending on or prior to December 31, 1996) in comparative form the corresponding consolidated figures for the corresponding period 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);

(b) statements of income, retained earnings and cash flows of the Company for each fiscal year of the Company, fiscal year and the related balance sheets of the Company as at the end of such fiscal year, setting forth, in each case (other than financial statements for the fiscal year ending on December 31, 1996) in comparative form the corresponding consolidated figures for the preceding fiscal year;

(c) copies of all registration statements and regular periodic reports, if any, that the Company 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 to the members of the Company generally or to holders of Indebtedness to Affiliates generally, copies of all financial statements, reports and proxy statements so mailed;

(e) any information pertaining to any multiemployer plan, employee benefit or other plan established or maintained by the Company or an Affiliate which is covered by Title VII of ERISA;

(f) a quarterly report with respect to the number of subscribers to the Systems, homes passed, revenues per subscriber and units;

(g) promptly after the Manager knows or has reason to believe that any Default (as defined in the Credit Agreement) is likely to occur or 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 Manager recommends that the Company should take with respect thereto; and

(h) from time to time such other information regarding the financial condition, operations, business or prospects of the Company as requested by the Company or any lender to the Company may reasonably request.

7. Agency Accounts; Working Funds.

(a) Agency Accounts. Manager will, maintain on behalf of, and as agent for, the Company and/or its subsidiaries, as appropriate, checking accounts in the name of the Company and/or its subsidiaries, as appropriate (the "Agency Accounts") at a bank or banks selected by Manager and reasonably acceptable to the Company. All receipts derived from the operation of the Systems shall be collected on behalf of the Company, as appropriate and promptly deposited in an Agency Account. All disbursements made by Manager on behalf of the Company as appropriate as permitted under this Agreement shall be made by checks drawn by Manager on the Agency Accounts. Manager will have the right and authority to make deposits to and disbursements and withdrawals from the Agency Accounts. Manager will have the right and authority to disburse or have disbursed from the Agency Accounts payments for all expenses, costs and liabilities in connection with the construction, development, operation, maintenance, repair and ownership of the Systems and the Company and its subsidiaries, including, without limitation:

(i) all costs and expenses of employees of the Company and of the Systems and reasonable fees and expenses of outside counsel, consultants, engineers, accountants or other professionals whose services are used in the operation or management of the Systems (including, without limitation, costs and

expenses of any accounting firm selected to sign tax filings for the Company); and

(ii Management Fees earned by Manager under this Agreement, reimbursement of expenses of Manager, and interest in respect of deferred Management Fees, in each case as contemplated in Section 8 below.

(b) In no event will Manager be responsible for the payment from its own funds of any sums in connection with the construction, development, operation, maintenance, repair and ownership of the Systems and the Company and its subsidiaries (including without limitation, any taxes) and the Company and its subsidiaries shall be solely responsible for the payment of all such amounts.

8. Compensation of Manager.

8.1 Management Fee.

(a) As compensation to Manager for the performance of its services hereunder, the Company shall pay to Manager a fee (the "Management Fee") each year equal to five percent (5%) of Gross Operating Revenues.

(b) Monthly installments of the Management Fee at the rate of five percent (5%) of the Gross Operating Revenues for such month (subject in all events to any limitations imposed under applicable loan agreements) shall be paid by the Company to Manager within ten (10) days after the end of each month. Within twenty (20) days of the receipt by the Company of the annual audited financial statements, a final determination of the Gross Operating Revenues, for the preceding Fiscal Year shall be made by the parties, and the parties shall then determine the Management Fee for the preceding Fiscal Year. In the event that such final determination indicates that the Company has paid Manager less than the Management Fee, the Company shall owe to Manager an amount in addition to that paid by the Company to Manager pursuant to the first sentence of this Section 8.1(b), and the Company shall pay such additional amount to Manager within ten (10) days of such final determination. In the event that such final determination indicates that the Company has paid Manager more than Management Fee, Manager shall owe to the Company such amount, and such amount shall be applied as a credit to the immediately succeeding monthly installment of the Management Fee, and, to the extent the amount owed by Manager to the Company exceeds such installment, Manager shall pay such excess amount to the Company within ten (10) days of such final determination.

(c) Manager acknowledges and agrees that notwithstanding anything else contained herein, payment of the Management Fee may be restricted or limited by the provisions of loan agreements of the Company, including without limitation the Credit Agreement, and that the Management Fee shall be paid if and only to the extent that at the time of such payment no default has occurred or is continuing under applicable loan agreements. To the extent that all or any portion of the Management Fee may not be paid because of the terms of the loan agreements, the amount which may not be paid shall not be paid, but shall be deferred (and such deferral shall not constitute a breach of the Company's obligations hereunder), and the deferred portion shall bear interest from the date due until paid at a rate per annum equal to the lower of (i) one percent (1%) above the rate announced from time to time by The Chase Manhattan Bank at its main office in New York, New York as its prime or base lending rate or (ii) the highest rate then permitted by applicable law. Subject to the terms of the preceding sentence, Manager may deduct the Management Fee and such other amounts to which it may be entitled under this Agreement from funds in the Agency Accounts. Any portion of the Management Fee that is deferred) shall be paid (together with interest thereon) as soon as the same may be paid without violating the provisions of the loan agreements. Payments of any outstanding Management Fees (whether or not deferred) shall be paid prior to payment of any dividends or distributions or similar payments to the members of the Company.

8.2 Reimbursement of Manager. (a) Manager acknowledges and agrees that Manager and not the Company shall be responsible for the compensation, including salaries, withholding taxes, unemployment insurance contributions, pension, health and other benefits of Manager's executive management personnel (all such compensation being herein collectively called "Executive Compensation"). 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 System. Except for Executive Compensation (intended to be covered by the Management Fee), Manager shall be entitled to reimbursement by the Company for the allocable costs (including, without limitation, salaries, withholding taxes, unemployment insurance contributions and the like) of employees of Manager or its Affiliates who perform services that would ordinarily be performed by employees of the Systems. Manager shall act in good faith in making such allocation. Manager shall have the right to use such shared employees without pre-approval of the Company and receive reimbursement therefor; provided, however, the Company shall have the right, after consultation with Manager, to direct the Manager no longer to continue using such shared employees in such situations as Company shall determine.

(b) Manager shall be entitled to reimbursement from the Company for reasonable out-of-pocket expenses incurred by Manager (excluding Executive Compensation and overhead allocated in respect of the executive management of the business or operations at the Company or any of its subsidiaries, including rent, utilities, telephone and telecopy charges, furniture, fixtures and the like) in connection with (i) the operation of the business of the Company, including without limitation, travelling to and visiting the Systems, and (ii) investigating, analyzing, negotiating or otherwise acting for or on behalf of the Company or its subsidiaries in connection with any potential acquisition by the Company or its subsidiaries of a System. Manager shall provide to the Company notice and an accounting at any time the reimbursable amount of the foregoing expenses exceeds $10,000 over the amount previously reported.

(c) Neither the Company nor any of its 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 Company or any of its subsidiaries), it being the intention of the parties hereto that all executive management personnel (as defined in Section 8.1(a) above) required in connection with the business or operations of the Company and its subsidiaries shall be employees of the Manager (and that the Executive Compensation for such employees shall be covered by the Management Fees payable hereunder.

9. Termination.

9.1 (a) If Manager materially breaches this Agreement and Manager fails to cure such breach within 20 days after receipt of written notice from the Company advising Manager of the action allegedly resulting in such breach (or, if such breach is not susceptible of cure within such period, fails to cure such breach as promptly as possible, but in any event, within 60 days after receipt of written notice from the Company), provided that the foregoing 60 day cure period will not apply to any willful breach of this Agreement by Manager; (b) if Manager, or any employee or consultant thereof, engages in any act of gross negligence, dishonesty, willful malfeasance or gross misconduct that is materially injurious to the Company and its subsidiaries taken as a whole; (c) if any lender shall, following default under any loan agreement (including, without limitation, the Credit Agreement) consummate foreclosure proceedings with respect to the equity interests or assets of the Company; or (d) if the Manager will be unable to pay its debts as such debts become due (whether upon maturity, acceleration or otherwise), then the Company (or in the case of clause (c), such lender) may elect, by written notice to Manager, to terminate this Agreement. Any such termination shall be effective as of the date specified in the notice of termination.

9.2 Effect of Termination. Subject to the provisions of this Agreement, termination of this Agreement in accordance with Section 9.1 shall not affect the rights of either Manager or the Company with respect to any damages either shall have suffered as a result of any breach of this Agreement, nor shall it affect the rights of Manager or the Company with respect to any liabilities or claims accruing, or based upon events occurring, prior to the date of termination.

10. Indemnification.

(a) By the Company. The Company will indemnify and hold harmless Manager, its Affiliates, and all officers, directors, employees, stockholders, partners and agents of Manager and its Affiliates (individually, a "Manager Indemnitee") from and against any and all claims, demands, costs, damages, losses, liabilities, joint and several, expenses of any nature (including reasonable attorneys', accountants' and experts' fees and disbursements), judgments, fines, settlements and other amounts (collectively, "Damages") arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative, or investigative (collectively, "Claims") in which the Manager Indemnitee may be involved or threatened to be involved, as a party or otherwise, arising out of Manager's performance under this Agreement or the ownership or operation of the Systems or the Company (and its subsidiaries), regardless of whether this Agreement continues to be in effect or the Manager Indemnitee continues to be an Affiliate, or an officer, director, employee, stockholder, contractor, subcontractor, partner or agent of Manager, at the time any such Claims are made or Damages incurred, provided that such indemnity shall not apply to any claims or Damages incurred due to the Manager Indemnitee's gross negligence or willful misconduct.

(b) By Manager. Manager will indemnify and hold harmless the Company, its Affiliates, and all of their officers, managers, employees, members, partners and agents of Company or its Affiliates (individually, a "Company Indemnitee") and its subsidiaries from and against any and all Damages arising from any and all Claims in which the Company Indemnitee may be involved or threatened to be involved, as a party or otherwise, arising out of either Manager's gross negligence or willful misconduct regardless of whether this Agreement continues to be in effect or the Company Indemnitee continues to be an Affiliate, or an officer, director, employee, stockholders, partner or agent of the Company or its Affiliates at the time any such Claims are made or Damages incurred.

(c) Right to Indemnification Not Exclusive Remedy. The indemnification rights contained in this Section 10 will be cumulative of and in addition to any and all other rights, remedies and recourse to which the Manager Indemnitee or a Company Indemnitee, as applicable, its respective heirs, successors, assigns and administrators are entitled, whether pursuant to some other provision of this Agreement, at law or in equity; provided, however, that it is understood and agreed that notwithstanding anything contained herein or applicable law to the contrary, neither Manager (nor any of its shareholders, officers, directors, employees or agents) shall have any liability with respect to a breach of, or non-performance under this Agreement except as expressly specified in this Agreement. The indemnification provided in this Section 10 will inure to the benefit of heirs, successors, assigns and administrators of the Manager Indemnitee or Company Indemnitee, as applicable.

(d) Insurance. Manager may purchase, at the Company's expense, and maintain insurance on behalf of Manager and such other persons as Manager may reasonably determine, against any liability that may be asserted against it or them in connection with the performance of Manager's obligations under this Agreement; provided that if Manager elects not to purchase such insurance its indemnity hereunder shall not be affected.

(e) Interested Transactions. A Manager Indemnitee or a Company Indemnitee, as applicable, will not be denied indemnification in whole or in part under this Section 10 solely because such Indemnitee had an interest in the transaction with respect to which the Indemnification applies if this transaction was otherwise permitted by the terms of this Agreement.

11. Credit Agreement and Subordination Agreement. Manager hereby acknowledges the terms and provisions of the Credit Agreement and Amended and Restated Management Fee Subordination Agreement executed and delivered pursuant to the Credit Agreement (the "Subordination Agreement"), among Manager, Mediacom Arizona, the Company and the Administrative Agent and agrees that if any provision of this Agreement conflicts with any of the terms contained in the Credit Agreement or Subordination Agreement, the provisions of said agreements shall govern and the provisions hereof shall be modified or negated accordingly.

12. Representations and Warranties of the Parties.

12.1 Representations of Manager. Manager hereby represents and warrants to the Company as follows:

(a) Organization and Standing. Manager is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware.

(b) Authorization and Binding Obligation. Manager has full power and authority to enter into, deliver and perform fully this Agreement. This Agreement has been duly executed and delivered by Manager, and constitutes the valid and binding obligation thereof, enforceable against Manager in accordance with its terms, except to the extent such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally, and by the application of equitable principles.

(c) No Conflict. The execution, delivery and performance by Manager of this Agreement does not conflict with or result in a breach of, or require any consent under, the charter or by-laws of the Manager, or any applicable material law or regulation, or any order, writ, injunction or decree of any court or governmental authority or agency, or any material agreement or instrument to which the Manager is a party or by which it is bound or to which it is subject, or constitute a default under any such agreement or instrument.

12.2 Representations and Warranties of the Company. The Company hereby represents and warrants to Manager as follows:

(a) Organization and Standing. The Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware.

(b) Authorization and Binding Obligation. The Company has full power and authority to enter into, deliver and perform fully this Agreement. This Agreement has been duly executed and delivered by the Company, and constitutes the valid and binding obligation thereof, enforceable against the Company in accordance with its terms, except to the extent such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally, and by the application of equitable remedies.

(c) No Conflict. The execution, delivery and performance by the Company of this Agreement does not conflict with or result in a breach of, or require any consent under, the charter or by-laws of the Company, or any applicable material law or regulation, or any order, writ, injunction or decree of any court or governmental authority or agency, or any material agreement or instrument to which the Company is a party or by which it is bound or to which it is subject, or constitute a default under any such agreement or instrument.

13. Miscellaneous.

13.1 Manager an Agent. Manager shall serve as an agent of the Company in rendering the services set forth herein. Nothing herein shall be construed as an agreement by Manager to bear any losses of the Systems or the Company; provided that this provision shall not be deemed to limit Manager's responsibility for any liability to the Company arising under this Agreement in accordance with the terms hereof. All debts and liabilities to third parties incurred by Manager in the course of the management of the Systems shall be the debts and liabilities of the Company and Manager shall not be liable for any such obligations by reason of its management of the Systems.

13.2 Other Activities. Nothing in this Agreement shall limit or restrict the right of Manager to engage in any other business or to devote its time and attention to the management or other aspects of any other business or to render services of any kind.

13.3 Notices. All notices, demands, and requests required or permitted to be given under this Agreement shall be in writing and shall be deemed duly given if (i) personally delivered, (ii) sent by registered or certified mail, postage pre-paid, return receipt requested, or (iii) transmitted by a recognized overnight courier service, addressed as follows:

If to the Company: Mediacom California LLC
c/o Mediacom LLC
90 Crystal Run Road, Suite 406A
Middletown, New York 10940
Attention: Rocco B. Commisso

If to Manager: Mediacom Management Corporation
90 Crystal Run Road, Suite 406A
Middletown, New York 10940
Attention: President

or to any such other additional persons and addresses as the parties may from time to time designate in writing delivered in accordance with this Section 13.3.

13.4 Benefit and Binding Effect. Neither party hereto may assign this Agreement without the prior written consent of the other party; provided, however, Manager may assign its rights an obligations under this Agreement to any wholly-owned subsidiary of Manager; provided that in such event Manager shall remain liable hereunder and shall remain entitled to the rights provided it hereunder. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

13.5 Governing Law. This Agreement shall be governed by the laws of the State of New York as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies (without giving effect to the principles of conflicts of law).

13.6 Headings. The headings preceding the text of sections and subsections of this Agreement are included for ease of reference only and shall not be deemed part of this Agreement.

13.7 Gender and Number. Words used herein regardless of the gender and number specifically used, shall be deemed and construed to include any other gender, masculine, feminine or neuter, and any other number, singular or plural, as the context requires.

13.8 Entire Agreement. This Agreement, and all schedules hereto, collectively represent the entire understanding and agreement between the Company and Manager with respect to the specific subject matter hereof. All schedules attached to this Agreement shall be deemed part of this Agreement and incorporated herein, where applicable, as if fully set forth herein. This Agreement supersedes all prior negotiations between the parties and cannot be amended, supplemented or changed except by an agreement in writing which makes specific reference to this Agreement or an agreement delivered pursuant hereto, as the case may be, and which is signed by the party against which enforcement of any such amendment, supplement or modification is sought.

13.9 Further Assurances. The parties shall take any actions and execute any documents that may be necessary or desirable to the implementation and consummation of this Agreement or that may be reasonably requested by any other party hereto. Each party will cooperate with the other parties and provide any assistance reasonably requested by any other party to effectuate the terms of this Agreement.

13.10 Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall be held invalid or unenforceable to any extent by any court of competent jurisdiction, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

13.11 Counterparts. This Agreement may be signed in counterparts, each of which shall be deemed to be an original but which, when taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, this First Amended and Restated Management Agreement has been executed by the parties hereto as of the date first above written.

MEDIACOM CALIFORNIA LLC

BY: MEDIACOM LLC, A MEMBER

By: /s/ Rocco B. Commisso

Name: Rocco B. Commisso
Title: Chairman and
Chief Executive Officer

MEDIACOM MANAGEMENT CORPORATION

By: /s/ Rocco B. Commisso

Name: Rocco B. Commisso
Title: President

SCHEDULE A

City of Ridgecrest, California - CATV System
and Internet Communications Node

County of Kern, California

County of San Bernardino, California

China Lake Navel Station, California

Valley Center and Pauma, California and located
in the County of San Diego, California

EXHIBIT 10.3

MANAGEMENT AGREEMENT

THIS MANAGEMENT AGREEMENT (this "Agreement") is made and entered into as of the 24th day of June, 1997, by and between Mediacom Delaware LLC, a Delaware limited liability company (the "Company"), and Mediacom Management Corporation, a Delaware corporation ("Manager").

WHEREAS, the Company is, on the date hereof, acquiring cable television systems serving the communities listed on Schedule A hereto (as the same may be amended from time to time pursuant to the terms hereof, the "Systems"); and

WHEREAS, the Company desires to engage Manager, and Manager desires to accept such engagement, to provide certain supervisory services as the manager of each of the Systems on a day-to-day basis, such services to be provided by Manager in accordance with the terms and conditions herein set forth.

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

1. Definitions. Except as otherwise defined herein, the following terms shall have the following meanings when used in this Agreement:

"Act" shall mean the Communications Act of 1934, as amended or modified from time to time, and any rules or regulations promulgated thereunder.

"Affiliate" shall mean, with respect to either the Company or Manager, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such party.

"Agency Account" shall have the meaning given to it in Section 7(a) of this Agreement.

"Effective Date" shall mean the date of this Agreement first above written.

"FCC" shall mean the United States Federal Communications Commission.

"FCC Licenses(s)" shall mean all federal domestic satellite, business radio and other communications licenses, permits and other authorizations (but not including any

Franchise or Permit) which are necessary to conduct the business or operations of the Systems.

"Fiscal Year" shall mean a fiscal year of the Company.

"Franchise(s)" shall mean all municipal, county or state franchises, or other authorizations, and applications therefor, which are necessary in connection with the operation of the Systems.

"Franchise Areas" shall mean those areas for which the Company or its subsidiaries holds Franchises.

"Gross Operating Revenues" shall mean the aggregate gross operating revenues derived by the Systems from all sources as determined in accordance with generally accepted accounting principles except those items expressly excluded pursuant to the next sentence. The term "Gross Operating Revenues" shall not mean revenue or income derived by the Company and its wholly-owned companies from any of the following sources: (a) from the sale of any asset of the Systems not in the ordinary course of business; (b) interest income; (c) proceeds from the financing or refinancing of any indebtedness of the Company and its subsidiaries; and (d) extraordinary gains in accordance with generally accepted accounting principles.

"Management Fee" shall have the meaning given to it in Section 8.1(a) of this Agreement.

"Permit(s)" shall mean any federal, state or local license, permit or other governmental or nongovernmental authorization, other than a Franchise or an FCC License, which is necessary to the conduct of the business or operations of the Systems.

"Person" shall mean any individual, corporation, partnership, joint venture, trust or unincorporated organization, or a government or any agency or political subdivision thereof.

2. Appointment of Manager. Upon the terms and conditions and for the term and compensation set forth herein, the Company hereby engages Manager, and Manager hereby accepts such engagement, as manager of the day-to-day operations of the Systems and subject to the direction and control of the Company.

3. Term. The appointment of the Manager shall commence on the Effective Date, and shall continue until the dissolution and liquidation of the Company, unless sooner terminated as provided in Section 9 hereof.

4. Standard of Care; Management Services; Other Matters.

4.1 Standard of Care. Manager will use reasonable commercial efforts in managing the Systems, provided, however, that notwithstanding anything contained herein or in applicable law to the contrary, neither Manager (nor any of its shareholders, officers, directors, employees or agents) shall have any liability, express or implied, for any action taken or omitted to be taken by Manager or for any failure or delay in performing or exercising any obligation, duty, right, power or authority possessed by Manager under this Agreement or any other document related thereto except for actual losses, if any, suffered by the Company and/or its subsidiary companies that are proximately caused either by Manager's gross negligence or by Manager's willful misconduct.

4.2 Services to be Performed by Manager. Subject to the terms and provisions of this Agreement and to the terms of any applicable law (including without limitation the Act), regulation, Franchise, FCC License, Permit, court order or administrative enactment pertaining to the Systems, Manager is hereby granted authority to perform, or cause to be performed, for and on behalf of the Company and its subsidiaries, such services as are reasonably required for the management and supervision of the day-to-day operation of the Systems, including without limitation, the following:

(a) Negotiation on behalf of the Company for programming and transmission over the Systems, including, without limitation, retransmission, affiliation, carriage, programming and bulk subscriber agreements;

(b) (i) Evaluating new equipment, materials and techniques and making recommendations in accordance with its evaluations, (ii) establishing general technical standards and procedures and directing their implementation, and (iii) establishing programs for preventive maintenance and monitoring their effectiveness;

(c) Supervision of all construction and development of the Systems, if any, including, without limitation, the selection and appointment of all subcontractors, equipment suppliers and vendors;

(d) Supervision of the purchasing of property, real, personal or mixed, and all materials and supplies, if any, necessary to complete construction and development of the Systems and to operate the same and to sell, lease, trade, exchange or otherwise dispose of the Systems' assets in the ordinary course of business.

(e) Negotiation of contracts, leases, deeds, releases, assignments and any other agreements on behalf of the Company or its wholly-owned companies as appropriate, for the purchase, lease, license or use of such properties and rights as may be necessary or reasonably desirable in connection with the construction, operation or maintenance of the Systems, including, without limitation, contracts relating to head end sites, office space, earth stations, microwave relays and pole line attachments;

(f) Formulation and supervision of all advertising, marketing and sales programs and engagement and appointing on behalf of the Systems of advertising, marketing and public relations agencies and consultants for such purposes;

(g) Subject to the provisions of all applicable Franchises or ordinances or other binding contracts or legislation, the selection and pricing of all services to be provided to the customers of the Systems;

(h) Supervision of performance of all aspects of the daily operation and maintenance of the Systems, including, without limitation, the employment, training, instruction and supervision of all personnel necessary to conduct daily operations of the Systems and the setting of salaries and wages for such personnel (with all such employees to be paid by the Company or its wholly owned companies as appropriate) and entering into, in the name of and on behalf of the Company or its wholly-owned companies as appropriate, any agreements, including, without limitation, collective bargaining agreements, with employees of the Company;

(i) Supervision of the maintenance of all accounting, bookkeeping, billing, collections and other financial records relating to the Systems;

(j) Engaging on behalf of the Company or its subsidiaries, as appropriate, attorneys, accountants, engineers, consultants and other qualified professionals;

(k) Preparing and filing, or causing to be prepared and filed, all necessary applications, filings, reports, statements and other documents as are required in connection with the operation of the Systems with governmental and regulatory agencies (including any income tax filings); provided that upon request of the Company, Manager will provide to the Company a copy of all applications, filings, reports, statements or other documents before the same are filed or submitted; and provided further that it is understood that income tax filings of the Company shall be signed by a nationally recognized accounting firm selected by the Company and with whom the Manager shall cooperate;

(l) Manager shall do, or cause to be done, all such acts and things in and about the Systems, including the making of all payments, taxes, assessments, fees, charges, royalties and other levies as shall be necessary to comply in all material respects with all federal state and local regulatory or other requirements;

(m) Purchase such policies of insurance (including Manager's blanket coverage) as Manager may from time to time consider necessary and appropriate in accordance with normal industry practice, with such policy naming both the Company and Manager as insured thereunder as their interests may appear;

(n) Maintenance of a continuing liaison with federal, state and local governmental officials regarding the Franchises, FCC Licenses, Permits, pole line agreements, leases and other contracts, rights and licenses of the Systems which require periodic review and/or renegotiation;

(o) Application of commercially reasonable efforts to cause the Systems to comply in all material respects with the requirements of the statute, ordinance, law, rule, regulation, Permit, Franchise or FCC License applicable to, or order of, any governmental or regulatory body having jurisdiction over, the Systems; and

(p) Taking any other action in connection with the construction, development, operation and maintenance of the Systems which is commercially reasonable, appropriate and necessary in order to manage and operate the Systems.

4.3 Compliance with FCC Licenses, Franchises and Permit Requirements; Payment of Expenses. Notwithstanding anything in this Agreement to the contrary, the Company or its subsidiaries, as appropriate, shall continue to be the franchisee, licensee and permittee of all Franchises, FCC Licenses and Permits, respectively, and shall retain ultimate control over the Systems and their assets, including all Franchises, FCC Licenses and Permits. The Company and its subsidiaries shall also retain ultimate responsibility for compliance with the rules, regulations and policies of the FCC, and the terms of the Act, the terms of the Franchises and applicable state and local laws, rules and regulations. Manager agrees to comply with instructions from the Company to the extent necessary to remain in compliance with respect to the Act and the rules, regulations and policies of the FCC and of all franchising authorities from which the Company or its subsidiaries have received Franchises. Manager shall use commercially reasonable efforts to promptly forward to the Company copies of all material correspondence, notices and the like from governmental authorities having jurisdiction over the Company and its subsidiaries. The Company and its subsidiaries shall be responsible for the payment of all costs, expenses and liabilities in connection with the construction, development, operation, maintenance, repair and ownership of the Systems.

5. Manager's Authority and Limitations Thereon.

Subject to the limitations contained in this Agreement, Manager shall have authority to execute in the name and on behalf of the Company or its subsidiaries, as appropriate, all such instruments, documents, contracts or agreements, including, without limitation, contracts or agreements entered into in the ordinary course, and to do all such acts and things, as may be incidental to, or necessary, proper or advisable in furtherance of, the supervision and management of the operation of the Systems and the rendering of services related thereto; provided, however, that Manager shall not:

(a) Commence, institute or settle any legal action except in accordance with established collection policies of the Systems; provided that Manager may, without consent of the Company (1) settle any action that does not require a settlement payment exceeding One Hundred Thousand Dollars ($100,000); and (2) institute any action so long as Manager reasonably believes that there will be no cross-claims or counter-claims against the Company (or its subsidiaries) in excess of $100,000. Notwithstanding the foregoing, if any action is taken by any Person which constitutes an immediate threat to the business or operations of the Systems, Manager may take such emergency action as may be reasonably required, including commencing any action requesting affirmative relief from any court or administrative agency, provided that Manager shall use its best efforts to communicate with the Company by telephone prior to, or if it is unable to do so, as soon as is commercially reasonably possible immediately after taking any such emergency action. Manager shall promptly notify the Company in writing of any legal proceeding of which Manager has knowledge or any legal proceeding threatened in writing or any fact known by Manager which might result in a material adverse effect on the Systems of material liability against the Company or its subsidiaries;

(b) Create, incur or suffer to exist any Indebtedness (as such term is used in the Amended and Restated Credit Agreement, dated as of December 27, 1996, as hereafter amended, restated, modified or supplemented from time to time, including any increase, deferral, renewal, extension or refinancing thereof or any senior credit facility hereafter entered into by Mediacom LLC or any subsidiary affiliate of Mediacom LLC (the "Credit Agreement") among Mediacom Arizona LLC, Mediacom California LLC, the lenders party thereto, and The Chase Manhattan Bank (the "Administrative Agent")) other than as permitted under Section 8.07 of the Credit Agreement;

(c) Enter into any agreements or transactions or obtain any services on behalf of the Company or the Systems with or from any Affiliate of Manager without the prior written consent of Company except for agreements or transactions on terms that are no less favorable to the Company, or its subsidiaries, as appropriate, than those which might be obtained at the time from a person or entity who is not an Affiliate of Manager in an arm's length transaction;

(d) Sell, assign, transfer or otherwise dispose of, or hypothecate or encumber in any way any assets belonging to the Company or its subsidiaries, used or useful in the business or operations of the Systems, other than (i) sales of assets in the ordinary course of business and permitted under loan agreements of the Company and its subsidiaries, or (ii) the granting of purchase money security interests attaching only to newly-acquired property or assets acquired in the ordinary course in accordance with loan agreements of the Company and its subsidiaries;

(e) Enter into any agreement on behalf of the Company for borrowed money; provided that nothing herein shall prohibit Manager from entering into capitalized leases or purchase money security interests that both (i) with respect to any particular item do not involve payments in the aggregate exceeding $200,000; and (ii) are permitted under the terms of loan agreements of the Company and its subsidiaries; and

(f) Enter into any agreement prohibited by applicable law, including, without limitation, the Act.

6. Financial and Systems Reports.

Manager acknowledges that the Credit Agreement contains various financial reporting requirements of the Company and Manager hereby agrees to cause to prepare and deliver to the Company, at the expense of the Company, the following in a timely fashion so that the Company can deliver the same to the lenders as required by the Credit Agreement:

(a) statements of income, retained earnings and cash flows of the Company for each quarterly fiscal period of each fiscal year of the Company and for the period from the beginning of the respective fiscal year to the end of such period, and the related balance sheets of the Company as at the end of such period setting forth, in each case (other than financial statements for any period ending on or prior to December 31, 1996) in comparative form the corresponding consolidated figures for the corresponding period 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);

(b) statements of income, retained earnings and cash flows of the Company for each fiscal year of the Company, fiscal year and the related balance sheets of the Company as at the end of such fiscal year, setting forth, in each case (other than financial statements for the fiscal year ending on December 31, 1996) in comparative form the corresponding consolidated figures for the preceding fiscal year;

(c) copies of all registration statements and regular periodic reports, if any, that the Company 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 to the members of the Company generally or to holders of Indebtedness to Affiliates generally, copies of all financial statements, reports and proxy statements so mailed;

(e) any information pertaining to any multiemployer plan, employee benefit or other plan established or maintained by the Company or an Affiliate which is covered by Title VII of ERISA;

(f) a quarterly report with respect to the number of subscribers to the Systems, homes passed, revenues per subscriber and units;

(g) promptly after the Manager knows or has reason to believe that any Default (as defined in the Credit Agreement) is likely to occur or 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 Manager recommends that the Company should take with respect thereto; and

(h) from time to time such other information regarding the financial condition, operations, business or prospects of the Company as requested by the Company or any lender to the Company may reasonably request.

7. Agency Accounts; Working Funds.

(a) Agency Accounts. Manager will, maintain on behalf of, and as agent for, the Company and/or its subsidiaries, as appropriate, checking accounts in the name of the Company and/or its subsidiaries, as appropriate (the "Agency Accounts") at a bank or banks selected by Manager and reasonably acceptable to the Company. All receipts derived from the operation of the Systems shall be collected on behalf of the Company, as appropriate and promptly deposited in an Agency Account. All disbursements made by Manager on behalf of the Company as appropriate as permitted under this Agreement shall be made by checks drawn by Manager on the Agency Accounts. Manager will have the right and authority to make deposits to and disbursements and withdrawals from the Agency Accounts. Manager will have the right and authority to disburse or have disbursed from the Agency Accounts payments for all expenses, costs and liabilities in connection with the construction, development, operation, maintenance, repair and ownership of the Systems and the Company and its subsidiaries, including, without limitation:

(i) all costs and expenses of employees of the Company and of the Systems and reasonable fees and expenses of outside counsel, consultants, engineers, accountants or other professionals whose services are used in the operation or management of the Systems (including, without limitation, costs and

expenses of any accounting firm selected to sign tax filings for the Company); and

(ii) Management Fees earned by Manager under this Agreement, reimbursement of expenses of Manager, and interest in respect of deferred Management Fees, in each case as contemplated in Section 8 below.

(b) In no event will Manager be responsible for the payment from its own funds of any sums in connection with the construction, development, operation, maintenance, repair and ownership of the Systems and the Company and its subsidiaries (including without limitation, any taxes) and the Company and its subsidiaries shall be solely responsible for the payment of all such amounts.

8. Compensation of Manager.

8.1 Management Fee.

(a) As compensation to Manager for the performance of its services hereunder, the Company shall pay to Manager a fee (the "Management Fee") each year equal to five percent (5%) of Gross Operating Revenues.

(b) Monthly installments of the Management Fee at the rate of five percent (5%) of the Gross Operating Revenues for such month (subject in all events to any limitations imposed under applicable loan agreements) shall be paid by the Company to Manager within ten (10) days after the end of each month. Within twenty (20) days of the receipt by the Company of the annual audited financial statements, a final determination of the Gross Operating Revenues, for the preceding Fiscal Year shall be made by the parties, and the parties shall then determine the Management Fee for the preceding Fiscal Year. In the event that such final determination indicates that the Company has paid Manager less than the Management Fee, the Company shall owe to Manager an amount in addition to that paid by the Company to Manager pursuant to the first sentence of this Section 8.1(b), and the Company shall pay such additional amount to Manager within ten (10) days of such final determination. In the event that such final determination indicates that the Company has paid Manager more than Management Fee, Manager shall owe to the Company such amount, and such amount shall be applied as a credit to the immediately succeeding monthly installment of the Management Fee, and, to the extent the amount owed by Manager to the Company exceeds such installment, Manager shall pay such excess amount to the Company within ten (10) days of such final determination.

(c) Manager acknowledges and agrees that notwithstanding anything else contained herein, payment of the Management Fee may be restricted or limited by the provisions of loan agreements of the Company, including without limitation the

Credit Agreement, and that the Management Fee shall be paid if and only to the extent that at the time of such payment no default has occurred or is continuing under applicable loan agreements. To the extent that all or any portion of the Management Fee may not be paid because of the terms of the loan agreements, the amount which may not be paid shall not be paid, but shall be deferred (and such deferral shall not constitute a breach of the Company's obligations hereunder), and the deferred portion shall bear interest from the date due until paid at a rate per annum equal to the lower of (i) one percent (1%) above the rate announced from time to time by The Chase Manhattan Bank at its main office in New York, New York as its prime or base lending rate or (ii) the highest rate then permitted by applicable law. Subject to the terms of the preceding sentence, Manager may deduct the Management Fee and such other amounts to which it may be entitled under this Agreement from funds in the Agency Accounts. Any portion of the Management Fee that is deferred) shall be paid (together with interest thereon) as soon as the same may be paid without violating the provisions of the loan agreements. Payments of any outstanding Management Fees (whether or not deferred) shall be paid prior to payment of any dividends or distributions or similar payments to the members of the Company.

8.2 Reimbursement of Manager. (a) Manager acknowledges and agrees that Manager and not the Company shall be responsible for the compensation, including salaries, withholding taxes, unemployment insurance contributions, pension, health and other benefits of Manager's executive management personnel (all such compensation being herein collectively called "Executive Compensation"). 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 System. Except for Executive Compensation (intended to be covered by the Management Fee), Manager shall be entitled to reimbursement by the Company for the allocable costs (including, without limitation, salaries, withholding taxes, unemployment insurance contributions and the like) of employees of Manager or its Affiliates who perform services that would ordinarily be performed by employees of the Systems. Manager shall act in good faith in making such allocation. Manager shall have the right to use such shared employees without pre-approval of the Company and receive reimbursement therefor; provided, however, the Company shall have the right, after consultation with Manager, to direct the Manager no longer to continue using such shared employees in such situations as Company shall determine.

(b) Manager shall be entitled to reimbursement from the Company for reasonable out-of-pocket expenses incurred by Manager (excluding Executive Compensation and overhead allocated in respect of the executive management of the business or operations at the Company or any of its subsidiaries, including rent, utilities, telephone and telecopy charges, furniture, fixtures and the like) in connection with (i) the operation of the business of the Company, including without limitation, travelling to and visiting the Systems, and (ii) investigating, analyzing, negotiating or otherwise acting for or on behalf of the Company or its subsidiaries in connection with any potential acquisition by the Company or its subsidiaries of a System. Manager shall provide to the Company notice and an accounting at any time the reimbursable amount of the foregoing expenses exceeds $10,000 over the amount previously reported.

(c) Neither the Company nor any of its 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 Company or any of its subsidiaries), it being the intention of the parties hereto that all executive management personnel (as defined in Section 8.2 above) required in connection with the business or operations of the Company and its subsidiaries shall be employees of the Manager (and that the Executive Compensation for such employees) shall be covered by the Management Fees payable hereunder.

9. Termination.

9.1 (a) If Manager materially breaches this Agreement and Manager fails to cure such breach within 20 days after receipt of written notice from the Company advising Manager of the action allegedly resulting in such breach (or, if such breach is not susceptible of cure within such period, fails to cure such breach as promptly as possible, but in any event, within 60 days after receipt of written notice from the Company), provided that the foregoing 60 day cure period will not apply to any willful breach of this Agreement by Manager; (b) if Manager, or any employee or consultant thereof, engages in any act of gross negligence, dishonesty, willful malfeasance or gross misconduct that is materially injurious to the Company and its subsidiaries taken as a whole; (c) if any lender shall, following default under any loan agreement (including, without limitation, the Credit Agreement) consummate foreclosure proceedings with respect to the equity interests or assets of the Company; or (d) if the Manager will be unable to pay its debts as such debts become due (whether upon maturity, acceleration or otherwise), then the Company (or in the case of clause (c), such lender) may elect, by written notice to Manager, to terminate this Agreement. Any such termination shall be effective as of the date specified in the notice of termination.

9.2 Effect of Termination. Subject to the provisions of this Agreement, termination of this Agreement in accordance with Section 9.1 shall not affect the rights of either Manager or the Company with respect to any damages either shall have suffered as a result of any breach of this Agreement, nor shall it affect the rights of Manager or the Company with respect to any liabilities or claims accruing, or based upon events occurring, prior to the date of termination.

10. Indemnification.

(a) By the Company. The Company will indemnify and hold harmless Manager, its Affiliates, and all officers, directors, employees, stockholders, partners and agents of Manager and its Affiliates (individually, a "Manager Indemnitee") from and against any and all claims, demands, costs, damages, losses, liabilities, joint and several, expenses of any nature (including reasonable attorneys', accountants' and experts' fees and disbursements), judgments, fines, settlements and other amounts (collectively, "Damages") arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative, or investigative (collectively, "Claims") in which the Manager Indemnitee may be involved or threatened to be involved, as a party or otherwise, arising out of Manager's performance under this Agreement or the ownership or operation of the Systems or the Company (and its subsidiaries), regardless of whether this Agreement continues to be in effect or the Manager Indemnitee continues to be an Affiliate, or an officer, director, employee, stockholder, contractor, subcontractor, partner or agent of Manager, at the time any such Claims are made or Damages incurred, provided that such indemnity shall not apply to any claims or Damages incurred due to the Manager Indemnitee's gross negligence or willful misconduct.

(b) By Manager. Manager will indemnify and hold harmless the Company, its Affiliates, and all of their officers, managers, employees, members, partners and agents of Company or its Affiliates (individually, a "Company Indemnitee") and its subsidiaries from and against any and all Damages arising from any and all Claims in which the Company Indemnitee may be involved or threatened to be involved, as a party or otherwise, arising out of either Manager's gross negligence or willful misconduct regardless of whether this Agreement continues to be in effect or the Company Indemnitee continues to be an Affiliate, or an officer, director, employee, stockholders, partner or agent of the Company or its Affiliates at the time any such Claims are made or Damages incurred.

(c) Right to Indemnification Not Exclusive Remedy. The indemnification rights contained in this Section 10 will be cumulative of and in addition to any and all other rights, remedies and recourse to which the Manager Indemnitee or a Company Indemnitee, as applicable, its respective heirs, successors, assigns and administrators are entitled, whether pursuant to some other provision of this Agreement, at law or in equity; provided, however, that it is understood and agreed that notwithstanding anything contained herein or applicable law to the contrary, neither Manager (nor any of its shareholders, officers, directors, employees or agents) shall have any liability with respect to a breach of, or non-performance under this Agreement except as expressly specified in this Agreement. The indemnification provided in this Section 10 will inure to the benefit of heirs, successors, assigns and administrators of the Manager Indemnitee or Company Indemnitee, as applicable.

(d) Insurance. Manager may purchase, at the Company's expense, and maintain insurance on behalf of Manager and such other persons as Manager may reasonably determine, against any liability that may be asserted against it or them in connection with the performance of Manager's obligations under this Agreement; provided that if Manager elects not to purchase such insurance its indemnity hereunder shall not be affected.

(e) Interested Transactions. A Manager Indemnitee or a Company Indemnitee, as applicable, will not be denied indemnification in whole or in part under this Section 10 solely because such Indemnitee had an interest in the transaction with respect to which the Indemnification applies if this transaction was otherwise permitted by the terms of this Agreement.

11. Credit Agreement and Subordination Agreement. Manager hereby acknowledges the terms and provisions of the Credit Agreement and Amended and Restated Management Fee Subordination Agreement executed and delivered pursuant to the Credit Agreement (the "Subordination Agreement"), among Manager, Mediacom Arizona, the Company and the Administrative Agent and agrees that if any provision of this Agreement conflicts with any of the terms contained in the Credit Agreement or Subordination Agreement, the provisions of said agreements shall govern and the provisions hereof shall be modified or negated accordingly.

12. Representations and Warranties of the Parties.

12.1 Representations of Manager. Manager hereby represents and warrants to the Company as follows:

(a) Organization and Standing. Manager is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware.

(b) Authorization and Binding Obligation. Manager has full power and authority to enter into, deliver and perform fully this Agreement. This Agreement has been duly executed and delivered by Manager, and constitutes the valid and binding obligation thereof, enforceable against Manager in accordance with its terms, except to the extent such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally, and by the application of equitable principles.

(c) No Conflict. The execution, delivery and performance by Manager of this Agreement does not conflict with or result in a breach of, or require any consent under, the charter or by-laws of the Manager, or any applicable material law or regulation, or any order, writ, injunction or decree of any court or governmental authority or agency, or any material agreement or instrument to which the Manager is a party or by which it is bound or to which it is subject, or constitute a default under any such agreement or instrument.

12.2 Representations and Warranties of the Company. The Company hereby represents and warrants to Manager as follows:

(a) Organization and Standing. The Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware.

(b) Authorization and Binding Obligation. The Company has full power and authority to enter into, deliver and perform fully this Agreement. This Agreement has been duly executed and delivered by the Company, and constitutes the valid and binding obligation thereof, enforceable against the Company in accordance with its terms, except to the extent such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally, and by the application of equitable remedies.

(c) No Conflict. The execution, delivery and performance by the Company of this Agreement does not conflict with or result in a breach of, or require any consent under, the charter or by-laws of the Company, or any applicable material law or regulation, or any order, writ, injunction or decree of any court or governmental authority or agency, or any material agreement or instrument to which the Company is a party or by which it is bound or to which it is subject, or constitute a default under any such agreement or instrument.

13. Miscellaneous.

13.1 Manager an Agent. Manager shall serve as an agent of the Company in rendering the services set forth herein. Nothing herein shall be construed as an agreement by Manager to bear any losses of the Systems or the Company; provided that this provision shall not be deemed to limit Manager's responsibility for any liability to the Company arising under this Agreement in accordance with the terms hereof. All debts and liabilities to third parties incurred by Manager in the course of the management of the Systems shall be the debts and liabilities of the Company and Manager shall not be liable for any such obligations by reason of its management of the Systems.

13.2 Other Activities. Nothing in this Agreement shall limit or restrict the right of Manager to engage in any other business or to devote its time and attention to the management or other aspects of any other business or to render services of any kind.

13.3 Notices. All notices, demands, and requests required or permitted to be given under this Agreement shall be in writing and shall be deemed duly given if (i) personally delivered, (ii) sent by registered or certified mail, postage pre-paid, return receipt requested, or (iii) transmitted by a recognized overnight courier service, addressed as follows:

If to the Company: Mediacom Delaware LLC
c/o Mediacom LLC
90 Crystal Run Road, Suite 406A
Middletown, New York 10940
Attention: Rocco B. Commisso

If to Manager: Mediacom Management Corporation
90 Crystal Run Road, Suite 406A
Middletown, New York 10940
Attention: President

or to any such other additional persons and addresses as the parties may from time to time designate in writing delivered in accordance with this Section 13.3.

13.4 Benefit and Binding Effect. Neither party hereto may assign this Agreement without the prior written consent of the other party; provided, however, Manager may assign its rights an obligations under this Agreement to any wholly-owned subsidiary of Manager; provided that in such event Manager shall remain liable hereunder and shall remain entitled to the rights provided it hereunder. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

13.5 Governing Law. This Agreement shall be governed by the laws of the State of New York as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies (without giving effect to the principles of conflicts of law).

13.6 Headings. The headings preceding the text of sections and subsections of this Agreement are included for ease of reference only and shall not be deemed part of this Agreement.

13.7 Gender and Number. Words used herein regardless of the gender and number specifically used, shall be deemed and construed to include any other gender, masculine, feminine or neuter, and any other number, singular or plural, as the context requires.

13.8 Entire Agreement. This Agreement, and all schedules hereto, collectively represent the entire understanding and agreement between the Company and Manager with respect to the specific subject matter hereof. All schedules attached to this Agreement shall be deemed part of this Agreement and incorporated herein, where applicable, as if fully set forth herein. This

Agreement supersedes all prior negotiations between the parties and cannot be amended, supplemented or changed except by an agreement in writing which makes specific reference to this Agreement or an agreement delivered pursuant hereto, as the case may be, and which is signed by the party against which enforcement of any such amendment, supplement or modification is sought.

13.9 Further Assurances. The parties shall take any actions and execute any documents that may be necessary or desirable to the implementation and consummation of this Agreement or that may be reasonably requested by any other party hereto. Each party will cooperate with the other parties and provide any assistance reasonably requested by any other party to effectuate the terms of this Agreement.

13.10 Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall be held invalid or unenforceable to any extent by any court of competent jurisdiction, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

13.11 Counterparts. This Agreement may be signed in counterparts, each of which shall be deemed to be an original but which, when taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, this Management Agreement has been executed by the parties hereto as of the date first above written.

MEDIACOM DELAWARE LLC

BY: MEDIACOM LLC, A MEMBER

By: /s/ Rocco B. Commisso

Name: Rocco B. Commisso
Title: Chairman and
Chief Executive Officer

MEDIACOM MANAGEMENT CORPORATION

By: /s/ Rocco B. Commisso

Name: Rocco B. Commisso
Title: President

SCHEDULE A

Delaware
- --------

The residential and recreational areas known as Angola-by-the-Bay
Town of Bethany Beach
Town of Dagsboro
Unincorporated Sussex County
Town of Frankford
Town of Millsboro
Town of Millville
Town of Oceanview
Town of Selbyville
Town of South Bethany
Long Neck
The private residential community known as Sea Colony (if applicable)
The private residential community known as Ocean Pines

Maryland
- --------

Town of Willards
Unincorporated Wicomico County
Town of Pittsville
Worcester County

EXHIBIT 10.4

MANAGEMENT AGREEMENT

THIS MANAGEMENT AGREEMENT (this "Agreement") is made and entered into as of January 23, 1998, by and between Mediacom Southeast LLC, a Delaware limited liability company (the "Company"), and Mediacom Management Corporation, a Delaware corporation ("Manager").

WHEREAS, the Company anticipates acquiring cable television systems pursuant to a certain Asset Purchase Agreement dated as of August 29, 1997 between Mediacom LLC, Cablevision Systems Corporation, U.S. Cable Television Group, L.P., ECC Holding Corporation and Missouri Cable Partners, L.P., as assigned to the Company (such systems and any additional cable television systems hereafter acquired by the Company, the "Systems"); and

WHEREAS, the Company desires to engage Manager, and Manager desires to accept such engagement, to provide certain supervisory services as the manager of each of the Systems on a day-to-day basis, such services to be provided by Manager in accordance with the terms and conditions herein set forth.

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

1. DEFINITIONS. Except as otherwise defined herein, the following terms shall have the following meanings when used in this Agreement:

"Act" shall mean the Communications Act of 1934, as amended or modified from time to time, and any rules or regulations promulgated thereunder.

"Affiliate" shall mean, with respect to either the Company or Manager, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such party.

"Agency Account" shall have the meaning given to it in Section 7(a) of this Agreement.

"Effective Date" shall mean the date of the Company's acquisition of the Systems, as contemplated by the recitals hereof.

"FCC" shall mean the United States Federal Communications Commission.

"FCC Licenses(s)" shall mean all federal domestic satellite, business radio and other communications licenses, permits and other authorizations (but not including any Franchise or Permit) which are necessary to conduct the business or operations of the Systems.

"Fiscal Year" shall mean a fiscal year of the Company.

"Franchise(s)" shall mean all municipal, county or state franchises, or other authorizations, and applications therefor, which are necessary in connection with the operation of the Systems.

"Franchise Areas" shall mean those areas for which the Company or its subsidiaries holds Franchises.

"Gross Operating Revenues" shall mean the aggregate gross operating revenues derived by the Systems from all sources as determined in accordance with generally accepted accounting principles except those items expressly excluded pursuant to the next sentence. The term "Gross Operating Revenues" shall not mean revenue or income derived by the Company and its wholly-owned companies from any of the following sources: (a) from the sale of any asset of the Systems not in the ordinary course of business; (b) interest income; (c) proceeds from the financing or refinancing of any indebtedness of the Company and its subsidiaries; and (d) extraordinary gains in accordance with generally accepted accounting principles.

"Management Fee" shall have the meaning given to it in Section 8.1(a) of this Agreement.

"Mediacom" shall mean Mediacom LLC, a New York limited liability company and the sole member of the Company.

"Permit(s)" shall mean any federal, state or local license, permit or other governmental or nongovernmental authorization, other than a Franchise or an FCC License, which is necessary to the conduct of the business or operations of the Systems.

"Person" shall mean any individual, corporation, partnership, joint venture, trust or unincorporated organization, or a government or any agency or political subdivision thereof.

2. APPOINTMENT OF MANAGER. Upon the terms and conditions and for the term and compensation set forth herein, effective upon the Effective Date, the Company hereby engages Manager, and Manager hereby accepts such engagement, as manager of

the day-to-day operations of the Systems and subject to the direction and control of the Company.

3. TERM. The appointment of the Manager shall commence on the Effective Date, and shall continue until the dissolution and liquidation of the Company, unless sooner terminated as provided in Section 9 hereof.

4. STANDARD OF CARE; MANAGEMENT SERVICES; OTHER MATTERS.

4.1 Standard of Care. Manager will use reasonable commercial efforts in managing the Systems, provided, however, that notwithstanding anything contained herein or in applicable law to the contrary, neither Manager (nor any of its shareholders, officers, directors, employees or agents) shall have any liability, express or implied, for any action taken or omitted to be taken by Manager or for any failure or delay in performing or exercising any obligation, duty, right, power or authority possessed by Manager under this Agreement or any other document related thereto except for actual losses, if any, suffered by the Company and/or its subsidiary companies that are proximately caused either by Manager's gross negligence or by Manager's willful misconduct.

4.2 Services to be Performed by Manager. Subject to the terms and provisions of this Agreement and to the terms of any applicable law (including without limitation the Act), regulation, Franchise, FCC License, Permit, court order or administrative enactment pertaining to the Systems, Manager is hereby granted authority to perform, or cause to be performed, for and on behalf of the Company and its subsidiaries, such services as are reasonably required for the management and supervision of the day-to-day operation of the Systems, including without limitation, the following:

(a) Negotiation on behalf of the Company for programming and transmission over the Systems, including, without limitation, retransmission, affiliation, carriage, programming and bulk subscriber agreements;

(b) (i) Evaluating new equipment, materials and techniques and making recommendations in accordance with its evaluations, (ii) establishing general technical standards and procedures and directing their implementation, and (iii) establishing programs for preventive maintenance and monitoring their effectiveness;

(c) Supervision of all construction and development of the Systems, if any, including, without limitation, the selection and appointment of all subcontractors, equipment suppliers and vendors;

(d) Supervision of the purchasing of property, real, personal or mixed, and all materials and supplies, if any, necessary to complete construction and development of the Systems and to operate the same and to sell, lease, trade, exchange or otherwise dispose of the Systems' assets in the ordinary course of business.

(e) Negotiation of contracts, leases, deeds, releases, assignments and any other agreements on behalf of the Company or its wholly-owned companies as appropriate, for the purchase, lease, license or use of such properties and rights as may be necessary or reasonably desirable in connection with the construction, operation or maintenance of the Systems, including, without limitation, contracts relating to head end sites, office space, earth stations, microwave relays and pole line attachments;

(f) Formulation and supervision of all advertising, marketing and sales programs and engagement and appointing on behalf of the Systems of advertising, marketing and public relations agencies and consultants for such purposes;

(g) Subject to the provisions of all applicable Franchises or ordinances or other binding contracts or legislation, the selection and pricing of all services to be provided to the customers of the Systems;

(h) Supervision of performance of all aspects of the daily operation and maintenance of the Systems, including, without limitation, the employment, training, instruction and supervision of all personnel necessary to conduct daily operations of the Systems and the setting of salaries and wages for such personnel (with all such employees to be paid by the Company or its wholly owned companies as appropriate) and entering into, in the name of and on behalf of the Company or its wholly-owned companies as appropriate, any agreements, including, without limitation, collective bargaining agreements, with employees of the Company;

(i) Supervision of the maintenance of all accounting, bookkeeping, billing, collections and other financial records relating to the Systems;

(j) Engaging on behalf of the Company or its subsidiaries, as appropriate, attorneys, accountants, engineers, consultants and other qualified professionals;

(k) Preparing and filing, or causing to be prepared and filed, all necessary applications, filings, reports, statements and other documents as are required in connection with the operation of the Systems with governmental and regulatory agencies (including any income tax filings); provided that upon request of the Company, Manager will provide to the Company a copy of all applications, filings, reports, statements or other documents before the same are filed or submitted; and provided further that it is understood that income tax filings of the Company shall be signed by a nationally recognized accounting firm selected by the Company and with whom the Manager shall cooperate;

(l) Manager shall do, or cause to be done, all such acts and things in and about the Systems, including the making of all payments, taxes, assessments, fees, charges, royalties and other levies as shall be necessary to comply in all material respects with all federal state and local regulatory or other requirements;

(m) Purchase such policies of insurance (including Manager's blanket coverage) as Manager may from time to time consider necessary and appropriate in accordance with normal industry practice, with such policy naming both the Company and Manager as insured thereunder as their interests may appear;

(n) Maintenance of a continuing liaison with federal, state and local governmental officials regarding the Franchises, FCC Licenses, Permits, pole line agreements, leases and other contracts, rights and licenses of the Systems which require periodic review and/or renegotiation;

(o) Application of commercially reasonable efforts to cause the Systems to comply in all material respects with the requirements of the statute, ordinance, law, rule, regulation, Permit, Franchise or FCC License applicable to, or order of, any governmental or regulatory body having jurisdiction over, the Systems; and

(p) Taking any other action in connection with the construction, development, operation and maintenance of the Systems which is commercially reasonable, appropriate and necessary in order to manage and operate the Systems.

4.3 <u>Compliance with FCC Licenses, Franchises and Permit Requirements; Payment of Expenses</u>. Notwithstanding anything in this Agreement to the contrary, the Company or its subsidiaries, as appropriate, shall continue to be the franchisee, licensee and permittee of all Franchises, FCC Licenses and Permits, respectively, and shall retain ultimate control over the Systems and their assets, including all Franchises, FCC Licenses and Permits. The Company and its subsidiaries shall also retain ultimate responsibility for compliance with the rules, regulations and policies of the FCC, and the terms of the Act, the terms of the Franchises and applicable state and local laws, rules and regulations. Manager agrees to comply with instructions from the Company to the extent necessary to remain in compliance with respect to the Act and the rules, regulations and policies of the FCC and of all franchising authorities from which the Company or its subsidiaries have received Franchises. Manager shall use commercially reasonable efforts to promptly forward to the Company copies of all material correspondence, notices and the like from governmental authorities having jurisdiction over the Company and its subsidiaries. The Company and its subsidiaries shall be responsible for the payment of all costs, expenses and liabilities in connection with the construction, development, operation, maintenance, repair and ownership of the Systems.

5. MANAGER'S AUTHORITY AND LIMITATIONS THEREON.

Subject to the limitations contained in this Agreement, Manager shall have authority to execute in the name and on behalf of the Company or its subsidiaries, as appropriate, all such instruments, documents, contracts or agreements, including, without limitation, contracts or agreements entered into in the ordinary course, and to do all such acts and things, as may be incidental to, or necessary, proper or advisable in furtherance of, the supervision and management of the operation of the Systems and the rendering of services related thereto; provided, however, that Manager shall not:

(a) Commence, institute or settle any legal action except in accordance with established collection policies of the Systems; provided that Manager may, without consent of the Company (1) settle any action that does not require a settlement payment exceeding One Hundred Thousand Dollars ($100,000); and (2) institute any action so long as Manager reasonably believes that there will be no cross-claims or counter-claims against the Company (or its subsidiaries) in excess of $100,000. Notwithstanding the foregoing, if any action is taken by any Person which constitutes an immediate threat to the business or operations of the Systems, Manager may take such emergency action as may be reasonably required, including commencing any action requesting affirmative relief from any court or administrative agency, provided that Manager shall use its best efforts to communicate with the Company by telephone prior to, or if it is unable to do so, as soon as is commercially reasonably possible immediately after taking any such emergency action. Manager shall promptly notify the Company in writing of any legal proceeding of which Manager has knowledge or any legal proceeding threatened in writing or any fact known by Manager which might result in a material adverse effect on the Systems of material liability against the Company or its subsidiaries;

(b) Create, incur or suffer to exist any Indebtedness (as such term is used in the Credit Agreement, dated as of January 22, 1998, as hereafter amended, restated, modified or supplemented from time to time, including any increase, deferral, renewal, extension or refinancing thereof or any senior credit facility hereafter entered into by Mediacom LLC or any subsidiary affiliate of Mediacom LLC (the "Credit Agreement") by and among the Company, the lenders party thereto, and The Chase Manhattan Bank (the "Administrative Agent")) other than as permitted under Section 8.07 of the Credit Agreement;

(c) Enter into any agreements or transactions or obtain any services on behalf of the Company or the Systems with or from any Affiliate of Manager without the prior written consent of Company except for agreements or transactions on terms that are no less favorable to the Company, or its subsidiaries, as appropriate, than those which might be obtained at the time from a person or entity who is not an Affiliate of Manager in an arm's length transaction;

(d) Sell, assign, transfer or otherwise dispose of, or hypothecate or encumber in any way any assets belonging to the Company or its subsidiaries, used or useful in the business or operations of the Systems, other than (i) sales of assets in the ordinary course of business and permitted under loan agreements of the Company and its subsidiaries, or (ii) the granting of purchase money security interests attaching only to newly-acquired property or assets acquired in the ordinary course in accordance with loan agreements of the Company and its subsidiaries;

(e) Enter into any agreement on behalf of the Company for borrowed money; provided that nothing herein shall prohibit Manager from entering into capitalized leases or purchase money security interests that both (i) with respect to any particular item do not involve payments in the aggregate exceeding $200,000; and (ii) are permitted under the terms of loan agreements of the Company and its subsidiaries; and

(f) Enter into any agreement prohibited by applicable law, including, without limitation, the Act.

6. FINANCIAL AND SYSTEMS REPORTS.

Manager acknowledges that the Credit Agreement contains various financial reporting requirements of the Company and Manager hereby agrees to cause to prepare and deliver to the Company, at the expense of the Company, the following in a timely fashion so that the Company can deliver the same to the lenders as required by the Credit Agreement:

(a) statements of income, retained earnings and cash flows of the Company for each quarterly fiscal period of each fiscal year of the Company and for the period from the beginning of the respective fiscal year to the end of such period, and the related balance sheets of the Company as at the end of such period setting forth, in each case (other than financial statements for any period ending on or prior to December 31, 1997) in comparative form the corresponding consolidated figures for the corresponding period 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);

(b) statements of income, retained earnings and cash flows of the Company for each fiscal year of the Company, fiscal year and the related balance sheets of the Company as at the end of such fiscal year, setting forth, in each case (other than financial statements for the fiscal year ending on or prior to December 31, 1997) in comparative form the corresponding consolidated figures for the preceding fiscal year;

(c) copies of all registration statements and regular periodic reports, if any, that the Company 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 to the members of the Company generally or to holders of Indebtedness to Affiliates generally, copies of all financial statements, reports and proxy statements so mailed;

(e) any information pertaining to any multiemployer plan, employee benefit or other plan established or maintained by the Company or an Affiliate which is covered by Title VII of ERISA;

(f) a quarterly report with respect to the number of subscribers to the Systems, homes passed, revenues per subscriber and units;

(g) promptly after the Manager knows or has reason to believe that any Default (as defined in the Credit Agreement) is likely to occur or 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 Manager recommends that the Company should take with respect thereto; and

(h) from time to time such other information regarding the financial condition, operations, business or prospects of the Company as requested by the Company or any lender to the Company may reasonably request.

7. AGENCY ACCOUNTS; WORKING FUNDS.

(a) Agency Accounts. Manager will, maintain on behalf of, and as agent for, the Company and/or its subsidiaries, as appropriate, checking accounts in the name of the Company and/or its subsidiaries, as appropriate (the "Agency Accounts") at a bank or banks selected by Manager and reasonably acceptable to the Company. All receipts derived from the operation of the Systems shall be collected on behalf of the Company, as appropriate and promptly deposited in an Agency Account. All disbursements made by Manager on behalf of the Company as appropriate as permitted under this Agreement shall be made by checks drawn by Manager on the Agency Accounts. Manager will have the right and authority to make deposits to and disbursements and withdrawals from the Agency Accounts. Manager will have the right and authority to disburse or have disbursed from the Agency Accounts payments for all expenses, costs and liabilities in connection with the construction, development, operation, maintenance, repair and ownership of the Systems and the Company and its subsidiaries, including, without limitation:

(i) all costs and expenses of employees of the Company and of the Systems and reasonable fees and expenses of outside counsel, consultants, engineers, accountants or other professionals whose services are used in the operation or management of the Systems (including, without limitation, costs and expenses of any accounting firm selected to sign tax filings for the Company); and

(ii Management Fees earned by Manager under this Agreement, reimbursement of expenses of Manager, and interest in respect of deferred Management Fees, in each case as contemplated in Section 8 below.

(b) In no event will Manager be responsible for the payment from its own funds of any sums in connection with the construction, development, operation, maintenance, repair and ownership of the Systems and the Company and its subsidiaries (including without limitation, any taxes) and the Company and its subsidiaries shall be solely responsible for the payment of all such amounts.

8. COMPENSATION OF MANAGER.

8.1 Management Fee.

(a) As compensation to Manager for the performance of its services hereunder, the Company shall pay to Manager a fee (the "Management Fee") each year equal to four and one-half percent (4-1/2%) of Gross Operating Revenues (or such lesser amount as is called for pursuant to the Operating Agreement of Mediacom).

(b) Monthly installments of the Management Fee at the rate of four and one-half percent (4-1/2%) of the Gross Operating Revenues (or such lesser amount as is called for pursuant to the Operating Agreement of Mediacom) for such month (subject in all events to any limitations imposed under applicable loan agreements) shall be paid by the Company to Manager within ten (10) days after the end of each month. Within twenty (20) days of the receipt by the Company of the annual audited financial statements, a final determination of the Gross Operating Revenues, for the preceding Fiscal Year shall be made by the parties, and the parties shall then determine the Management Fee for the preceding Fiscal Year. In the event that such final determination indicates that the Company has paid Manager less than the Management Fee, the Company shall owe to Manager an amount in addition to that paid by the Company to Manager pursuant to the first sentence of this Section 8.1(b), and the Company shall pay such additional amount to Manager within ten (10) days of such final determination. In the event that such final determination indicates that the Company has paid Manager more than Management Fee, Manager shall owe to the Company such amount, and such amount shall be applied as a credit to the immediately succeeding monthly installment of the Management Fee, and, to the extent the amount owed by Manager to the Company exceeds such installment, Manager shall pay such excess amount to the Company within ten (10) days of such final determination.

(c) Manager acknowledges and agrees that notwithstanding anything else contained herein, payment of the Management Fee may be restricted or limited by the provisions of loan agreements of the Company, including without limitation the Credit Agreement, and that the Management Fee shall be paid if and only to the extent that at the time of such payment no default has occurred or is continuing under applicable loan agreements. To the extent that all or any portion of the Management Fee may not be paid because of the terms of the loan agreements, the amount which may not be paid shall not be paid, but shall be deferred (and such deferral shall not constitute a breach of the Company's obligations hereunder), and the deferred portion shall bear interest from the date due until paid at a rate per annum equal to the lower of (i) one percent (1%) above the rate announced from time to time by The Chase Manhattan Bank at its main office in New York, New York as its prime or base lending rate or (ii) the highest rate then permitted by applicable law. Subject to the terms of the preceding sentence, Manager may deduct the Management Fee and such other amounts to which it may be entitled under this Agreement from funds in the Agency Accounts. Any portion of the Management Fee that is deferred) shall be paid (together with interest thereon) as soon as the same may be paid without violating the provisions of the loan agreements. Payments of any outstanding Management Fees (whether or not deferred) shall be paid prior to payment of any dividends or distributions or similar payments to the members of the Company.

8.2 Reimbursement of Manager. (a) Manager acknowledges and agrees that Manager and not the Company shall be responsible for the compensation, including salaries, withholding taxes, unemployment insurance contributions, pension, health and other benefits of Manager's executive management personnel (all such compensation being herein collectively called "Executive Compensation"). For purposes hereof, "executive management personnel" shall not include any individual (such as a system or regional manager) who, other than for minimal duties, is employed principally in connection with the day-to-day operations of one or more Systems or one or more geographic regions of the Company or its subsidiaries. Except for Executive Compensation (intended to be covered by the Management Fee), Manager shall be entitled to reimbursement by the Company for the allocable costs (including, without limitation, salaries, withholding taxes, unemployment insurance contributions and the like) of employees of Manager or its Affiliates who perform services that would ordinarily be performed by employees of the Systems. Manager shall act in good faith in making such allocation. Manager shall have the right to use such shared employees without pre-approval of the Company and receive reimbursement therefor; provided, however, the Company shall have the right, after consultation with Manager, to direct the Manager no longer to continue using such shared employees in such situations as Company shall determine.

(b) Manager shall be entitled to reimbursement from the Company for reasonable out-of-pocket expenses incurred by Manager (excluding Executive Compensation and overhead allocated in respect of the executive management of the business or operations at the Company or any of its subsidiaries, including rent, utilities, telephone and telecopy charges, furniture, fixtures and the like) in connection with (i) the operation of the business of the Company, including without limitation, travelling to and visiting the Systems, and (ii) investigating, analyzing, negotiating or otherwise acting for or on behalf of the Company or its subsidiaries in connection with any potential acquisition by the Company or its subsidiaries of a System. Manager shall provide to the Company notice and an accounting at any time the reimbursable amount of the foregoing expenses exceeds $10,000 over the amount previously reported.

(c) Neither the Company nor any of its 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 Company or any of its subsidiaries), it being the intention of the parties hereto that all executive management personnel (as defined in Section 8.2 above) required in connection with the business or operations of the Company and its subsidiaries shall be employees of the Manager (and that the Executive Compensation for such employees) shall be covered by the Management Fees payable hereunder.

9. TERMINATION.

9.1 (a) If Manager materially breaches this Agreement and Manager fails to cure such breach within 20 days after receipt of written notice from the Company advising Manager of the action allegedly resulting in such breach (or, if such breach is not susceptible of cure within such period, fails to cure such breach as promptly as possible, but in any event, within 60 days after receipt of written notice from the Company), provided that the foregoing 60 day cure period will not apply to any willful breach of this Agreement by Manager; (b) if Manager, or any employee or consultant thereof, engages in any act of gross negligence, dishonesty, willful malfeasance or gross misconduct that is materially injurious to the Company and its subsidiaries taken as a whole; (c) if any lender shall, following default under any loan agreement (including, without limitation, the Credit Agreement) consummate foreclosure proceedings with respect to the equity interests or assets of the Company; (d) if the Manager will be unable to pay its debts as such debts become due (whether upon maturity, acceleration or otherwise), or (e) subject to any limitation contained in any loan or credit agreement (including, without limitation, the Credit Agreement) of the Company, the Company may elect to terminate this Agreement upon fifteen days advance written notice to the Manager in the event that, at the time of giving such notice, (i) neither Rocco Commisso nor a "Commisso Member" (as said term is defined in the Third Amended and Restated Operating Agreement of Mediacom, dated as of January , 1998, and as such Operating Agreement may be further amended, supplemented or restated) is serving as Manager of Mediacom or (ii) Rocco Commisso is not chief executive officer of the Commisso Member then serving as Manager of Mediacom, then the Company (or in the case of clause (c), such lender) may elect, by written notice to Manager, to terminate this Agreement. Any such termination shall be effective as of the date specified in the notice of termination.

9.2 Effect of Termination. Subject to the provisions of this Agreement, termination of this Agreement in accordance with Section 9.1 shall not affect the rights of either Manager or the Company with respect to any damages either shall have suffered as a result of any breach of this Agreement, nor shall it affect the rights of Manager or the Company with respect to any liabilities or claims accruing, or based upon events occurring, prior to the date of termination.

10. INDEMNIFICATION.

(a) By the Company. The Company will indemnify and hold harmless Manager, its Affiliates, and all officers, directors, employees, stockholders, partners and agents of Manager and its Affiliates (individually, a "Manager Indemnitee") from and against any and all claims, demands, costs, damages, losses, liabilities, joint and several, expenses of any nature (including reasonable attorneys', accountants' and experts' fees and disbursements), judgments, fines, settlements and other amounts (collectively, "Damages") arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative, or investigative (collectively, "Claims") in which the Manager Indemnitee may be involved or threatened to be involved, as a party or otherwise, arising out of Manager's performance under this Agreement or the ownership or operation of the Systems or the Company (and its subsidiaries), regardless of whether this Agreement continues to be in effect or the Manager Indemnitee continues to be an Affiliate, or an officer, director, employee, stockholder, contractor, subcontractor, partner or agent of Manager, at the time any such Claims are made or Damages incurred, provided that such indemnity shall not apply to any claims or Damages incurred due to the Manager Indemnitee's gross negligence or willful misconduct.

(b) By Manager. Manager will indemnify and hold harmless the Company, its Affiliates, and all of their officers, managers, employees, members, partners and agents of Company or its Affiliates (individually, a "Company Indemnitee") and its subsidiaries from and against any and all Damages arising from any and all Claims in which the Company Indemnitee may be involved or threatened to be involved, as a party or otherwise, arising out of either Manager's gross negligence or willful misconduct regardless of whether this Agreement continues to be in effect or the Company Indemnitee continues to be an Affiliate, or an officer, director, employee, stockholders, partner or agent of the Company or its Affiliates at the time any such Claims are made or Damages incurred.

(c) Right to Indemnification Not Exclusive Remedy. The indemnification rights contained in this Section 10 will be cumulative of and in addition to any and all other rights, remedies and recourse to which the Manager Indemnitee or a Company Indemnitee, as applicable, its respective heirs, successors, assigns and administrators are entitled, whether pursuant to some other provision of this Agreement, at law or in equity; provided, however, that it is understood and agreed that notwithstanding anything contained herein or applicable law to the contrary, neither Manager (nor any of its shareholders, officers, directors, employees or agents) shall have any liability with respect to a breach of, or non-performance under this Agreement except as expressly specified in this Agreement. The indemnification provided in this Section 10 will inure to the benefit of heirs, successors, assigns and administrators of the Manager Indemnitee or Company Indemnitee, as applicable.

(d) Insurance. Manager may purchase, at the Company's expense, and maintain insurance on behalf of Manager and such other persons as Manager may reasonably determine, against any liability that may be asserted against it or them in connection with the performance of Manager's obligations under this Agreement; provided that if Manager elects not to purchase such insurance its indemnity hereunder shall not be affected.

(e) Interested Transactions. A Manager Indemnitee or a Company Indemnitee, as applicable, will not be denied indemnification in whole or in part under this Section 10 solely because such Indemnitee had an interest in the transaction with respect to which the Indemnification applies if this transaction was otherwise permitted by the terms of this Agreement.

11. CREDIT AGREEMENT AND SUBORDINATION AGREEMENT. Manager hereby acknowledges the terms and provisions of the Credit Agreement and the Management Fee Subordination Agreement executed and delivered pursuant to the Credit Agreement (the "Subordination Agreement"), among Manager, the Company and the Administrative Agent and agrees that if any provision of this Agreement conflicts with any of the terms contained in the Credit Agreement or Subordination Agreement, the provisions of said agreements shall govern and the provisions hereof shall be modified or negated accordingly.

12. REPRESENTATIONS AND WARRANTIES OF THE PARTIES.

12.1 Representations of Manager. Manager hereby represents and warrants to the Company as follows:

(a) Organization and Standing. Manager is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware.

(b) Authorization and Binding Obligation. Manager has full power and authority to enter into, deliver and perform fully this Agreement. This Agreement has been duly executed and delivered by Manager, and constitutes the valid and binding obligation thereof, enforceable against Manager in accordance with its terms, except to the extent such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally, and by the application of equitable principles.

(c) No Conflict. The execution, delivery and performance by Manager of this Agreement does not conflict with or result in a breach of, or require any consent under, the charter or by-laws of the Manager, or any applicable material law or regulation, or any order, writ, injunction or decree of any court or governmental authority or agency, or any material agreement or instrument to which the Manager is a party or by which it is bound or to which it is subject, or constitute a default under any such agreement or instrument.

12.2 Representations and Warranties of the Company. The Company hereby represents and warrants to Manager as follows:

(a) Organization and Standing. The Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware.

(b) Authorization and Binding Obligation. The Company has full power and authority to enter into, deliver and perform fully this Agreement. This Agreement has been duly executed and delivered by the Company, and constitutes the valid and binding obligation thereof, enforceable against the Company in accordance with its terms, except to the extent such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally, and by the application of equitable remedies.

(c) No Conflict. The execution, delivery and performance by the Company of this Agreement does not conflict with or result in a breach of, or require any consent under, the charter or by-laws of the Company, or any applicable material law or regulation, or any order, writ, injunction or decree of any court or governmental authority or agency, or any material agreement or instrument to which the Company is a party or by which it is bound or to which it is subject, or constitute a default under any such agreement or instrument.

13. MISCELLANEOUS.

13.1 Manager an Agent. Manager shall serve as an agent of the Company in rendering the services set forth herein. Nothing herein shall be construed as an agreement by Manager to bear any losses of the Systems or the Company; provided that this provision shall not be deemed to limit Manager's responsibility for any liability to the Company arising under this Agreement in accordance with the terms hereof. All debts and liabilities to third parties incurred by Manager in the course of the management of the Systems shall be the debts and liabilities of the Company and Manager shall not be liable for any such obligations by reason of its management of the Systems.

13.2 Other Activities. Nothing in this Agreement shall limit or restrict the right of Manager to engage in any other business or to devote its time and attention to the management or other aspects of any other business or to render services of any kind.

13.3 Notices. All notices, demands, and requests required or permitted to be given under this Agreement shall be in writing and shall be deemed duly given if (i) personally delivered, (ii) sent by registered or certified mail, postage pre-paid, return receipt requested, or (iii) transmitted by a recognized overnight courier service, addressed as follows:

If to the Company: Mediacom Southeast LLC
c/o Mediacom LLC
100 Crystal Run Road
Middletown, New York 10941
Attention: Rocco B. Commisso

If to Manager: Mediacom Management Corporation
100 Crystal Run Road
Middletown, New York 10941
Attention: President

or to any such other additional persons and addresses as the parties may from time to time designate in writing delivered in accordance with this Section 13.3.

13.4 Benefit and Binding Effect. Neither party hereto may assign this Agreement without the prior written consent of the other party; provided, however, Manager may assign its rights an obligations under this Agreement to any wholly-owned subsidiary of Manager; provided that in such event Manager shall remain liable hereunder and shall remain entitled to the rights provided it hereunder. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

13.5 Governing Law. This Agreement shall be governed by the laws of the State of New York as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies (without giving effect to the principles of conflicts of law).

13.6 Headings. The headings preceding the text of sections and subsections of this Agreement are included for ease of reference only and shall not be deemed part of this Agreement.

13.7 Gender and Number. Words used herein regardless of the gender and number specifically used, shall be deemed and construed to include any other gender, masculine, feminine or neuter, and any other number, singular or plural, as the context requires.

13.8 Entire Agreement. This Agreement, and all schedules hereto, collectively represent the entire understanding and agreement between the Company and Manager with respect to the specific subject matter hereof. All schedules attached to this Agreement shall be deemed part of this Agreement and incorporated herein, where applicable, as if fully set forth herein. This Agreement supersedes all prior negotiations between the parties and cannot be amended, supplemented or changed except by an agreement in writing which makes specific reference to this Agreement or an agreement delivered pursuant hereto, as the case may be, and which is signed by the party against which enforcement of any such amendment, supplement or modification is sought.

13.9 Further Assurances. The parties shall take any actions and execute any documents that may be necessary or desirable to the implementation and consummation of this Agreement or that may be reasonably requested by any other party hereto. Each party will cooperate with the other parties and provide any assistance reasonably requested by any other party to effectuate the terms of this Agreement.

13.10 Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall be held invalid or unenforceable to any extent by any court of competent jurisdiction, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

13.11 Counterparts. This Agreement may be signed in counterparts, each of which shall be deemed to be an original but which, when taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, this Management Agreement has been executed by the parties hereto as of the date first above written.

MEDIACOM SOUTHEAST LLC

By: MEDIACOM LLC, A MEMBER

By: /s/ Rocco B. Commisso

Name: Rocco B. Commisso
Title: Chairman and
Chief Executive Officer

MEDIACOM MANAGEMENT CORPORATION

By: /s/ Rocco B. Commisso

Name: Rocco B. Commisso
Title: President

[Execution Copy]

EXHIBIT 10.5(a)

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MEDIACOM CALIFORNIA LLC

MEDIACOM DELAWARE LLC

MEDIACOM ARIZONA LLC

SECOND AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of June 24, 1997

THE CHASE MANHATTAN BANK,
as Administrative Agent

and
FIRST UNION NATIONAL BANK,
as Documentation Agent

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TABLE OF CONTENTS

This Table of Contents is not part of the Agreement to which it is attached but is inserted for convenience of reference only.

SECOND AMENDED AND RESTATED CREDIT AGREEMENT dated as of June 24, 1997, between: 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"); MEDIACOM ARIZONA LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware ("Mediacom Arizona" and, together with Mediacom California and Mediacom Delaware, 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"); THE CHASE MANHATTAN 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") and FIRST UNION NATIONAL BANK, as documentation agent (in such capacity, the "Documentation Agent").

Mediacom California, Mediacom Arizona, the Existing Lenders (as hereinafter defined) and the Administrative Agent are parties to an Amended and Restated Credit Agreement dated as of December 27, 1996 (such Credit Agreement, as heretofore modified and supplemented and in effect on the date hereof, being herein called the "Existing Credit Agreement") providing subject to the terms and conditions thereof, for loans in an aggregate principal amount not exceeding $40,000,000 at any one time outstanding. The parties hereto wish to amend the Existing Credit Agreement by among other things, increasing the amount of loans available thereunder to an aggregate principal amount up to but not exceeding $100,000,000, by adding the New Lenders (as hereinafter defined), by adding Mediacom Delaware as an additional borrower thereunder and by amending certain of the other provisions thereof, and, in that connection, wish to amend and restate the Existing Credit Agreement in its entirety, it being the intention of the parties hereto that the loans outstanding on the Effective Date (as hereinafter defined) shall continue and remain outstanding and not be repaid on the Effective Date, but shall be assigned and reallocated among the Lenders as provided in Section 2.01 hereof.

Accordingly the parties hereto hereby agree that the Existing Credit Agreement shall, as of the Effective Date (but subject to the satisfaction of the conditions precedent specified in Section 6.01 hereof), be amended and restated in its entirety 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):

"Acquisition Agreements" shall mean, collectively, the December 1996 Acquisition Agreements, the Benchmark Acquisition Agreement, the Booth Acquisition Agreement, the Spring 1997 Acquisition Agreements and the Subsequent Acquisition Agreements.

"Acquisitions" shall mean, collectively, the December 1996 Acquisitions the Benchmark Acquisition, the Booth Acquisition, the Spring 1997 Acquisitions and the Subsequent Acquisitions.

"Adjusted Operating Cash Flow" shall mean, for any period during which the Borrowers shall have consummated either of the Spring 1997 Acquisitions, 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 Spring 1997 Acquisition had been consummated on the first day of such period: (i) Operating Cash Flow for such period plus (ii) the sum of (x) non-recurring expenses incurred by the applicable Spring 1997 Seller prior to the actual closing of such Spring 1997 Acquisition (to the extent such items were included as operating expenses in the determination of Operating Cash Flow for such period) and (y) the amounts set forth in Schedule VI hereto for such period (representing certain cost savings and programming cost increases in respect of the CATV Systems being acquired in such Spring 1997 Acquisition), minus (iii) without duplication of the Management Fees actually paid during such period, the additional Management Fees that would have been paid during such period at a rate equal to 5% of the gross operating revenue of the Borrowers and their Subsidiaries for such period (determined, as specified above, under the assumption that such Spring 1997 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 either of the Spring 1997 Acquisitions, 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 Spring 1997 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 applicable Spring 1997 Seller prior to the actual closing of such Spring 1997 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 Schedule VI hereto (representing certain cost savings and programming cost increases in respect of the CATV Systems being acquired in such Spring 1997 Acquisition).

"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 Wholly Owned Subsidiaries of any Borrower shall be Affiliates.

"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 and Notes hereunder on terms in form and substance satisfactory to the Majority Lenders, (iv) that does not mature prior to June 30, 2006, 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 and (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. Notwithstanding the foregoing, Affiliate Subordinated Indebtedness shall not include the Booth Subordinated Indebtedness.

"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 (a) with respect to Revolving Credit Loans and Term A Loans of any Type, the respective rates indicated below for Revolving Credit Loans and Term A Loans of such Type opposite the then-current Rate Ratio (determined pursuant to Section 3.03 hereof) indicated below (except that anything in this Agreement to the contrary notwithstanding, the Applicable Margin with respect to Revolving Credit Loans and Term A Loans shall be the highest rates provided for below (i.e., 1.625% with respect to Base Rate Loans and 2.625% with respect to Eurodollar Loans) during any period when an Event of Default shall have occurred and be continuing):

Range of Rate Ratio	Applicable Margin (% p.a.) Base Rate Loans	Eurodollar Loans
Greater than or equal to 5.50 to 1	1.625%	2.625%
Greater than or equal to 5.00 to 1 but less than 5.50 to 1	1.375%	2.375%
Greater than or equal to 4.50 to 1 but less than 5.00 to 1	1.125%	2.125%
Greater than or equal to 4.00 to 1 but less than 4.50 to 1	0.875%	1.875%
Greater than or equal to 3.00 but less than 4.00	0.625%	1.625%
Less than 3.00 to 1	0.375%	1.375%

and (b) with respect to Term B Loans of any Type, the respective rates indicated below for Term B Loans of such Type opposite the then-current Rate Ratio (determined pursuant to Section 3.03 hereof) indicated below (except that anything in this Agreement to the contrary notwithstanding, the Applicable Margin with respect to Term B Loans shall be the highest rates provided for below (i.e., 1.75% with respect to Base Rate Loans and 2.75% with respect to Eurodollar Loans) during any period when an Event of Default shall have occurred and be continuing):

Range of Rate Ratio	Applicable Margin (% p.a.) Base Rate Loans	Eurodollar Loans
Greater than or equal to 5.50 to 1	1.75%	2.75%
Greater than or equal to 5.00 to 1 but less than 5.50 to 1	1.50%	2.50%
Less than 5.00 to 1	1.25%	2.25%

"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, the other Loan Documents and the Acquisition Agreements.

"Basic Subscribers" shall mean, as at any date, (a) Subscribers who subscribe to a CATV System at the regular basic monthly subscription rate for such CATV System to a single household Subscriber (exclusive of "secondary outlets", as such term is commonly understood in the cable television industry), plus (b) the number of Subscribers determined by dividing the aggregate dollar monthly amount billed to bulk Subscribers (hotels, motels, apartment buildings, hospitals and the like), by the regular basic monthly subscription rate for basic service charged by the CATV System in which such bulk Subscriber is located.

"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.

"Benchmark" shall mean Benchmark Acquisition Fund II Limited Partnership, a Maryland limited partnership.

"Benchmark Acquisition" shall mean the acquisition by Mediacom California pursuant to the Benchmark Acquisition Agreement of substantially all of the assets comprising the cable television systems of Benchmark in the communities of Ridgecrest, and China Lake Naval Station, California, and in San Bernadino County and Kern County, California.

"Benchmark Acquisition Agreement" shall mean the Asset Purchase Agreement made as of November 6, 1995, by and between Benchmark and Mediacom California, as assignee of Mediacom, as amended by an Amendment No. 1 thereto dated as of March 12, 1996, and as the same shall, subject to Section 8.19 hereof, be further modified and supplemented and in effect from time to time.

"Booth" shall mean Booth American Company, a Michigan corporation.

"Booth Acquisition" shall mean the acquisition by Mediacom California pursuant to the Booth Acquisition Agreement of substantially all of the assets comprising the cable television systems of Booth in the communities of Kernville, Wofford Heights, Lake Isabella, Bodfish, Onyx, Weldon-Kelso Valley, Belle Vista, Mt. Mesa-Squirrel Valley and South Lake of Kern County, California.

"Booth Acquisition Agreement" shall mean the Asset Purchase and Sale Agreement made as of May 23, 1996 by and between Booth and Mediacom California, as the same shall, subject to Section 8.19 hereof, be modified and supplemented and in effect from time to time.

"Booth Subordinated Indebtedness" shall mean the obligations of the Borrowers to Booth (or any transferee thereof) under the Amended and Restated Senior Subordinated Loan Agreement executed and delivered on December 27, 1996 pursuant to the Booth Acquisition Agreement, as amended by Amendment No. 1 dated as of June 24, 1997.

"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.

"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.

"Chase" shall mean The Chase Manhattan Bank.

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

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

"Commisso Entity" shall mean, collectively, (i) Rocco Commisso, (ii) any entity controlled by Rocco Commisso and owned by Rocco Commisso, (iii) members of the immediate family of Rocco Commisso or (iv) trusts established for the benefit of Rocco Commisso or members of the immediate family of Rocco Commisso.

"Commitments" shall mean, collectively, the Revolving Credit Commitments and the Term Loan Commitments.

"Continue", "Continuation" and "Continued" shall refer to the continuation pursuant to Section 2.08 hereof of a Eurodollar Loan from one Interest Period to the next Interest Period.

"Convert", "Conversion" and "Converted" shall refer to a conversion pursuant to Section 2.08 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 Effective Date of any debt securities, excluding, however, any Indebtedness incurred pursuant to Section 8.07(c) or 8.07(e) 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 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 pursuant to Section 2.03(a) hereof, were required to be made pursuant to Section 3.01(a) hereof during such period plus (b) in the case of Term Loans under this Agreement and all other Indebtedness (other than 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.

"December 1996 Acquisitions" shall mean, collectively, the Saguaro Cable Acquisition and the Valley Center Acquisition.

"December 1996 Acquisition Agreements" shall mean, collectively, the Saguaro Cable Acquisition Agreement and the Valley Center Acquisition Agreement.

"Deeds of Trust" shall mean, collectively, one or more deeds of trust, mortgages, or collateral assignments of leasehold interest, in form and substance satisfactory to the Administrative Agent, creating a Lien on real property or leasehold interests in the state where the respective Property to be covered by such instrument is located, executed by the respective Obligor that is the owner or lessee of such Property in favor of the Administrative Agent (or, in the case of a deed of trust, in favor of a trustee for the benefit of the Administrative Agent and the Lenders) pursuant to the Existing Credit Agreement (or any predecessor agreement), Section 6.01(h) hereof or Section 8.18 hereof, as the case may be, covering the respective fee or leasehold interests owned by such Obligor, as said deeds of trust, mortgages and collateral assignments of leasehold interests shall be modified and supplemented and in effect from time to time.

"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.

"Effective Date" shall mean the date on which the conditions to effectiveness set forth in Section 6.01 hereof shall have been satisfied or waived.

"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 Issuance" shall mean, collectively, (a) any issuance or sale by a Borrower after the Effective Date of (i) any of its ownership interests or of its capital stock, (ii) any warrants or options exercisable in respect of its capital stock or its ownership interests (other than any warrants or options issued to directors, officers or employees of the Borrowers pursuant to employee benefit plans established in the ordinary course of business and any ownership interests of the Borrowers issued upon the exercise of such warrants or options) or (iii) any other security or instrument representing an equity interest (or the right to obtain any equity interest) in the Borrowers or (b) the receipt by a Borrower after the Effective Date of any equity capital contribution (whether or not evidenced by any equity security issued by the recipient of such contribution), provided that the term "Equity Issuance" shall not include any capital contribution by Mediacom to any Borrower from the proceeds of the proposed equity issuance by Mediacom described in the Confidential Private Placement Memorandum dated September, 1996 relating to the offering of $75,000,000 limited liability company membership interests in Mediacom.

"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, with respect to any Eurodollar Loan for any Interest Period therefor, the rate per annum (rounded upwards, if necessary, to the nearest 1/100 of 1%), quoted by Chase at approximately 11:00 a.m. London time (or as soon thereafter as practicable) on the date two Business Days prior to the first day of such Interest Period for the offering by Chase to leading banks in the London interbank market of Dollar deposits having a term comparable to such Interest Period and in an amount comparable to the principal amount of the Eurodollar Loan to be made by Chase for such Interest Period. If Chase is not participating in any Eurodollar Loans during any Interest Period therefor, the Eurodollar Base Rate for such Loans for such Interest Period shall be determined by reference to the amount of such Loans that Chase would have made or had outstanding had it been participating in such Loan during 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.

"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.

"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 Lenders" shall mean Chase and First Union National Bank.

"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 Chase on such Business Day on such transactions as determined by the Administrative Agent.

"Fixed Charge Coverage Ratio" shall mean, as at any date, the ratio of (a) the product of (x) Operating Cash Flow for the fiscal quarter ending on, or most recently ended prior to, such date times (y) four to (b) the sum of (i) Debt Service for the period of four consecutive fiscal quarters ending on, or most recently ended prior to, such date plus (ii) Capital Expenditures for the period of four consecutive fiscal quarters ending on, or most recently ended prior to, such date plus (iii) the Tax Payment Amount for the period of four consecutive fiscal quarters ending on, or most recently ended prior to, such date. For purposes of determining the Fixed Charge Coverage Ratio, Capital Expenditures incurred for any period prior to January 1, 2000 with respect to the cable television systems acquired or to be acquired in connection with the December 1996 Acquisitions and the Spring 1997 Acquisitions shall be the lesser of (i) actual Capital Expenditures incurred for such period with respect to such cable television systems and (ii) the product of $40 times the average number of Subscribers to such cable television systems during such period.

"Franchise" shall mean a franchise, license, authorization or right by contract or otherwise to construct, own, operate, promote, extend and/or otherwise exploit any CATV System operated or to be operated by a Borrower or any of its Subsidiaries granted by any state, county, city, town, village or other local or state government authority or by the FCC. The term "Franchise" shall include each of the Franchises set forth on Schedule III 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.

"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 Second Amended and Restated Guarantee and Pledge Agreement substantially in the form of Exhibit D hereto between the Parent Guarantors 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.

"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 Debt and Booth 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 90 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 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 of the Borrowers and their Subsidiaries and (ii) all obligations in respect of Interest Rate Protection Agreements.

"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, if during any fiscal quarter for which the Interest Coverage Ratio is being determined the Borrowers shall have consummated either of the Spring 1997 Acquisitions, the Interest Coverage Ratio 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 to be determined under the assumption that such Spring 1997 Acquisition had been consummated (and all Indebtedness incurred in connection therewith) on the first day of 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) accrued or capitalized during 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 and all Booth Subordinated Indebtedness (in each case, 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.

"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 (subject to the provisions of Section 2.01(c) hereof) ending on the numerically corresponding day in the first, second, third or sixth calendar month thereafter, as the Borrowers may select as provided in Section 4.05 hereof, except that each Interest Period 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) no Interest Period for any Revolving Credit Loan may commence before and end after any Revolving Credit Commitment Reduction Date unless, after giving effect thereto, the aggregate principal amount of Revolving Credit Loans having Interest Periods that end after such Revolving Credit Commitment Reduction Date shall be equal to or less than the aggregate principal amount of Revolving Credit Loans scheduled to be outstanding after giving effect to the payments of principal required to be made on such Revolving Credit Commitment Reduction Date; (iii) no Interest Period for any Term A Loan may commence before and end after any Principal Payment Date unless, after giving effect thereto, the aggregate principal amount of the Term A Loans having Interest Periods that end after such Principal Payment Date shall be equal to or less than the aggregate principal amount of the Term A Loans scheduled to be outstanding after giving effect to the payments of principal required to be made on such Principal Payment Date; (iv) no Interest Period for any Term B Loan may commence before and end after any Principal Payment Date unless, after giving effect thereto, the aggregate principal amount of the Term B Loans having Interest Periods that end after such Principal Payment Date shall be equal to or less than the aggregate principal amount of the Term B Loans scheduled to be outstanding after giving effect to the payments of principal required to be made on such Principal Payment Date; (v) 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 (vi) notwithstanding clauses (i), (ii), (iii) and (iv) above, no Interest Period shall have a duration of less than one month and, if the Interest Period for any Eurodollar Loan would otherwise be a shorter period, such Loan shall not be available hereunder for such period.

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

"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 Notes, the Security Documents and each Management Fee Subordination Agreement.

"Loans" shall mean, collectively, the Revolving Credit Loans and the Term Loans.

"Lower Delaware Acquisition" shall mean the acquisition by Mediacom Delaware pursuant to the Lower Delaware Acquisition Agreement of substantially all of the assets comprising the cable television systems of American Cable TV Investors 5, Ltd. in (i) the following areas in Delaware: the residential and recreational areas known as Angola-by-the Bay, unincorporated Sussex County, Long Neck, the private residential community of Sea Colony and the towns of Bethany Beach, Dagsboro, Frankford, Millsboro, Millville, Oceanview, Selbyville and South Bethany and (ii) the following areas in Maryland: the towns of Willards and Pittsville, Unincorporated Wicomico County, Worcester County and the private residential community of Ocean Pines.

"Lower Delaware Acquisition Agreement" shall mean the Asset Purchase Agreement made as of December 24, 1996 by and between American Cable TV Investors 5, Ltd. and Mediacom, as the same shall, subject to Section 8.19 hereof, be modified and supplemented and in effect from time to time.

"Majority Lenders" shall mean, subject to the last paragraph of Section 11.04 hereof, Lenders having at least 66-2/3% of the sum of (a) the aggregate outstanding principal amount of the Term Loans or, if the Term Loans shall not have been made (or designated as provided in Section 2.01 hereof), the aggregate outstanding principal amount of the Term Loan Commitments plus (b) the sum of (i) the aggregate unused amount, if any, of the

Revolving Credit Commitments at such time plus (ii) the aggregate outstanding principal amount of the Revolving Credit Loans at such time.

"Majority Revolving Credit Lenders" shall mean Revolving Credit Lenders having at least 66-2/3% of the aggregate amount of the Revolving Credit Commitments or, if the Revolving Credit Commitments shall have terminated, Revolving Credit Lenders holding at least 66-2/3% of the aggregate unpaid principal amount of the Revolving Credit Loans.

"Majority Term A Lenders" shall mean Term A Lenders holding at least 66-2/3% of the aggregate outstanding principal amount of the Term A Loans or, if the Term A Loans shall not have been made (or designated as provided in Section 2.01 hereof), at least 66-2/3% of the Term A Commitments.

"Majority Term B Lenders" shall mean Term B Lenders holding at least 66-2/3% of the aggregate outstanding principal amount of the Term B Loans or, if the Term B Loans shall not have been made, at least 66-2/3% of the Term B Commitments.

"Management Agreements" shall mean, collectively, (a) the Management Agreement dated March 12, 1996 among Mediacom California and Mediacom Management Corporation, (b) the Management Agreement dated December 27, 1996 among Mediacom Arizona and Mediacom Management Corporation and (c) the Management Agreement dated June 24, 1997 among Mediacom Delaware and Mediacom Management Corporation, in each case as the same shall, subject to Section 8.19 hereof, be modified and supplemented and in effect from time to time.

"Management Fee Subordination Agreement" shall mean a Second Amended 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 a Borrower or any of its 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) paid or incurred by the Borrowers 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 first $100,000 of Manager Expenses (if any) during any fiscal year and (b) the aggregate amount of intercompany shared expenses payable to Mediacom that are allocated by Mediacom to the Borrowers and their Subsidiaries in accordance with Section 5.05 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).

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

"Manager Expenses" shall mean out-of-pocket expenses incurred by the Manager on behalf of the Borrowers and their Subsidiaries in connection with the operation of the business of the Borrowers and their Subsidiaries.

"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 other amounts payable in connection therewith.

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

"Mediacom Arizona Operating Agreement" shall mean the Operating Agreement of Mediacom Arizona dated December 27, 1996 between Mediacom and Mediacom California, as the same shall, subject to Section 8.19 hereof, be modified and supplemented and in effect from time to time.

"Mediacom California Operating Agreement" shall mean the Operating Agreement of Mediacom California dated March 12, 1996 between Mediacom and Mediacom Management Corporation, as the same shall, subject to Section 8.19 hereof, be modified and supplemented and in effect from time to time.

"Mediacom Delaware Operating Agreement" shall mean the Operating Agreement of Mediacom Delaware dated January 1, 1997, as the same shall, subject to Section 8.19 hereof, be modified and supplemented and in effect from time to time.

"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 and

(ii) in the case of any Equity Issuance or Debt Issuance, the aggregate amount of all cash received by any Borrower or any of its Subsidiaries in respect of such Equity Issuance or 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.

"New Lenders" shall mean each Lender party hereto on the Effective Date other than the Existing Lenders.

"Notes" shall mean, collectively, the Revolving Credit Notes and the Term Loan Notes.

"Obligors" shall mean, collectively, the Borrowers, the Parent Guarantors and, effective upon execution and delivery of any Subsidiary Guarantee Agreement, each Subsidiary of a Borrower so executing and delivering such Subsidiary Guarantee Agreement.

"Operating Agreements" shall mean, collectively, the Mediacom California Operating Agreement, the Mediacom Delaware Operating Agreement and the Mediacom Arizona Operating Agreement.

"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 5% of the gross operating revenue of the Borrowers and their Subsidiaries for such period.

"Parent Guarantors" shall mean, collectively, Mediacom and Mediacom Management Corporation.

"Pay TV Units" shall mean the aggregate number of premium or pay television services to which Subscribers subscribe.

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

"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 $500,000,000, 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 Group, 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.

"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 a Borrower or any ERISA Affiliate and that is covered by Title IV of ERISA, other than a Multiemployer Plan.

"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.

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

"Principal Payment Dates" shall mean the last Business Day of March, June, September and December of each year, commencing with September 30, 1997, through and including September 30, 2005.

"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.

"Quarterly Dates" shall mean the twentieth day of January, April, July and October in each year, the first of which shall be the first such day after the date of this Agreement; provided that if any such day is not a Business Day, then such Quarterly Date shall be the next succeeding Business Day.

"Quarterly Officer's Report" shall mean a quarterly report of a Senior Officer with respect to Basic Subscribers, homes passed, revenues per Subscriber and Pay TV Units, substantially in the form of Exhibit B hereto.

"Quarterly Payment Period" shall mean each successive three-month period from and including a Quarterly Date (or, in the case of the initial Quarterly Payment Period, from and including the Effective Date) to but not including the next following Quarterly Date.

"Rate Ratio" shall mean, for any Quarterly Payment Period, the daily average of the Senior Leverage Ratio during the fiscal quarter ending on, or most recently ended prior to, the first day of such Quarterly Payment Period,

provided that until such time as one complete fiscal quarter shall have elapsed subsequent to the Effective Date, such daily average of the Senior Leverage Ratio shall be determined only for the portion of such fiscal quarter commencing on the Effective Date.

"Rate Ratio Certificate" shall mean, for any Quarterly Payment Period, 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.

"Registered Holder" shall have the meaning assigned to such term in Section 5.06(a)(ii) hereof.

"Registered Loan" shall have the meaning assigned to such term in Section 2.07(f) hereof.

"Registered Note" shall have the meaning assigned to such term in Section 2.07(f) hereof.

"Regulations A, D, G, T, U and X" shall mean, respectively, Regulations A, D, G, 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.

"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.

"Restricted Payment" 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 Subsidiary), (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 or Booth Subordinated Indebtedness and (d) any payments in respect of Management Fees.

"Revolving Credit Commitment" shall mean, as to each Revolving Credit Lender, the obligation of such Lender to make Revolving Credit Loans in an aggregate principal amount at any one time outstanding up to but not exceeding the amount set forth opposite the name of such Lender on the signature pages hereof 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) hereof, 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 2.03 or 2.09 hereof, or increased or reduced in connection with any assignment pursuant to Section 11.06(b) hereof). The original aggregate principal amount of the Revolving Credit Commitments is $40,000,000.

"Revolving Credit Lenders" shall mean (a) on the date hereof, the Lenders having Revolving Credit Commitments on the signature pages hereof 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 Commitment Reduction Dates" shall mean the last Business Day of March, June, September and December in each year, commencing with September 30, 1998, through and including September 30, 2005.

"Revolving Credit Commitment Termination Date" shall mean the Revolving Credit Commitment Reduction Date falling on or nearest to September 30, 2005.

"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.

"Revolving Credit Notes" shall mean the promissory notes provided for by Section 2.07(a) hereof and all promissory notes delivered in substitution or exchange therefor, in each case as the same shall be modified and supplemented and in effect from time to time. The term "Revolving Credit Notes" shall include any Registered Notes evidencing Revolving Credit Loans executed and delivered pursuant to Section 2.07(f) hereof.

"RidgeNet" shall mean the Internet communications node serving the cities of Ridgecrest and Indian Wells Valley, California.

"RidgeNet Indebtedness" shall mean obligations of Mediacom California to pay the deferred purchase price of RidgeNet.

"Saguaro Cable Acquisition" shall mean the acquisition by Mediacom Arizona pursuant to the Saguaro Cable Acquisition Agreement of substantially all of the assets comprising the cable television systems of Saguaro Cable TV Investors, L.P. in the communities of Nogales, Rio Rico, Amado and Ajo, Arizona, and located in the Counties of Pima and Santa Cruz, Arizona.

"Saguaro Cable Acquisition Agreement" shall mean the Asset Purchase Agreement made as of August 29, 1996, by and between Saguaro Cable TV Investors, L.P. and Mediacom Arizona, as assignee of Mediacom, as the same shall, subject to Section 8.19 hereof, be modified and supplemented and in effect from time to time.

"Security Agreement" shall mean a Second Amended and Restated Security 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.

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

"Senior Indebtedness" shall mean, as of any date, all Indebtedness of the Borrowers and their Subsidiaries (determined on a combined basis without duplication in accordance with GAAP), including, without limitation, all Indebtedness hereunder, but excluding all Affiliate Subordinated Debt and Booth Subordinated Debt.

"Senior Leverage Ratio" shall mean, as at any date, the ratio of (a) the aggregate amount of all Senior Indebtedness (other than RidgeNet Indebtedness) of the Borrowers and their

Subsidiaries (including, without limitation, Capital Lease Obligations) 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, if during any fiscal quarter for which the Senior Leverage Ratio is being determined the Borrowers shall have consummated either of the Spring 1997 Acquisitions, the Senior Leverage Ratio shall be deemed to be equal to the ratio of (a) the aggregate amount of all Senior Indebtedness (other than RidgeNet Indebtedness) of the Borrowers and their Subsidiaries (including, without limitation, Capital Lease Obligations) as at the relevant date to (b) the product of Adjusted System Cash Flow for such fiscal quarter, times four.

"Senior Officer" shall mean the chairman, chief executive officer or chief financial officer of the Manager, acting for and on behalf of the Borrowers.

"Spring 1997 Acquisition Agreements" shall mean, collectively, the Lower Delaware Acquisition Agreement and the Sun City Acquisition Agreement.

"Spring 1997 Acquisitions" shall mean, collectively, the Lower Delaware Acquisition and the Sun City Acquisition.

"Spring 1997 Sellers" shall mean American Cable TV Investors 5, Ltd. and CoxCom, Inc.

"Subscriber" shall mean a Person who subscribes to one or more of the cable television services of the Borrowers and their Subsidiaries and includes both Basic Subscribers and Persons who subscribe to Pay TV Units, but excluding each such Person who is pending disconnection for any reason or is delinquent in payment for such services for more than 60 days or who has not paid in full without discount at least one monthly bill generated in the ordinary course of business.

"Subsequent Acquisition Agreements" shall mean each agreement pursuant to which a Subsequent Acquisition shall be consummated, as the same shall, subject to Section 8.19 hereof, be modified and supplemented and in effect from time to time.

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

"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 a Borrower that executes and delivers a Subsidiary Guarantee Agreement.

"Sun City Acquisition" shall mean the acquisition by Mediacom California pursuant to the Sun City Acquisition Agreement of substantially all of the assets comprising the cable television systems of CoxCom, Inc. in Sun City, California.

"Sun City Acquisition Agreement" shall mean the Asset Purchase Agreement made as of May 22, 1997, by and between CoxCom, Inc. and Mediacom California, as the same shall, subject to Section 8.19 hereof, be modified and supplemented and in effect from time to time.

"Supplemental Capital" shall mean advances made by an Affiliate to a Borrower constituting Affiliate Subordinated Indebtedness (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 for such period minus (b) all operating expenses 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, the first $100,000 of Manager Expenses during any fiscal year, depreciation, amortization and interest expense (including, without limitation, all items included in Interest Expense), provided that gross operating revenues and operating expenses for any period shall exclude all extraordinary and unusual items and all non-cash items.

Notwithstanding the foregoing, (i) if during any period for which System Cash Flow is being determined the Borrowers shall have consummated any acquisition of any CATV System or other business (excluding, however, any of the Spring 1997 Acquisitions), 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 it were a corporation (other than an "S corporation" within the meaning of Section 1361 of the Code) for such period and all prior periods.

"Term A Commitment" shall mean, as to each Term A Lender, the obligation of such Lender to make one or more Term A Loans (or to acquire Term A Loans pursuant to Section 2.01 hereof) in an aggregate principal amount up to but not exceeding the amount set opposite the name of such Lender on the signature pages hereof under the caption "Term A Commitment" or, in the case of a Person that becomes a Term A Lender pursuant to an assignment permitted under Section 11.06(b) hereof, 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 2.03 or 2.09 hereof, or increased or reduced in connection with any assignment pursuant to Section 11.06(b) hereof). The original aggregate principal amount of the Term A Commitments is $50,000,000.

"Term A Lenders" shall mean (a) on the date hereof, the Lenders having Term A Commitments on the signature pages hereof and (b) thereafter, the Lenders from time to time holding Term A

Loans and Term A Commitments after giving effect to any assignments thereof permitted by Section 11.06(b) hereof.

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

"Term A Notes" shall mean the promissory notes provided for by Section 2.07(b) hereof and all promissory notes delivered in substitution or exchange therefor, in each case as the same shall be modified and supplemented and in effect from time to time. The term "Term A Notes" shall include any Registered Notes evidencing Term A Loans executed and delivered pursuant to Section 2.07(f) hereof.

"Term B Commitment" shall mean, as to each Term B Lender, the obligation of such Lender to make one or more Term B Loans in an aggregate principal amount up to but not exceeding the amount set opposite the name of such Lender on the signature pages hereof under the caption "Term B Commitment" or, in the case of a Person that becomes a Term B Lender pursuant to an assignment permitted under Section 11.06(b) hereof, 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 2.03 or 2.09 hereof, or increased or reduced in connection with any assignment pursuant to Section 11.06(b) hereof). The original aggregate principal amount of the Term B Commitments is $10,000,000.

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

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

"Term B Notes" shall mean the promissory notes provided for by Section 2.07(c) hereof and all promissory notes delivered in substitution or exchange therefor, in each case as the same shall be modified and supplemented and in effect from time to time. The term "Term B Notes" shall include any Registered Notes evidencing Term B Loans executed and delivered pursuant to Section 2.07(f) hereof.

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

"Term Loan Commitment Termination Date" shall mean June 30, 1997.

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

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

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

"Total Leverage Ratio" shall mean, as at any date, the ratio of (a) the aggregate amount of all Indebtedness (other than RidgeNet Indebtedness) of the Borrowers and their Subsidiaries (including, without limitation, Capital Lease Obligations, but excluding Affiliate Subordinated Debt) 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, if during any fiscal quarter for which the Total Leverage Ratio is being determined the Borrowers shall have consummated either of the Spring 1997 Acquisitions, the Total Leverage Ratio shall be deemed to be equal to the ratio of (a) the aggregate amount of all Indebtedness (other than RidgeNet Indebtedness) of the Borrowers and their Subsidiaries (including, without limitation, Capital Lease Obligations) as at the relevant date to (b) the product of Adjusted System Cash Flow for such fiscal quarter, times four.

"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.

"Valley Center Acquisition" shall mean the acquisition by Mediacom California pursuant to the Valley Center Acquisition Agreement of substantially all of the assets comprising the cable television systems of Valley Center Cablesystems, L.P. in the communities of Valley Center and Pauma, California and located in the County of San Diego, California.

"Valley Center Acquisition Agreement" shall mean the Asset Purchase Agreement made as of August 29, 1996, by and between Valley Center Cablesystems, L.P. and Mediacom California, as the same shall, subject to Section 8.19 hereof, be modified and supplemented and in effect from time to time.

"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) 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 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, 1996 referred to in Section 7.02 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, 1996 referred to in Section 7.02 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 unaudited financial statements referred to in Section 7.02(i) hereof).

(b) 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) To enable the ready and consistent determination of compliance with the covenants set forth in Section 8 hereof, the Borrowers will not 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 Term A Loan or a Term B Loan, 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.

1.04 Subsidiaries.

None of the Borrowers has any Subsidiaries on the date hereof; reference in this Agreement to Subsidiaries of the Borrowers shall be deemed inapplicable until such time as the Majority Lenders shall consent to the creation of such Subsidiaries or such Subsidiaries shall in fact come into existence in accordance with the terms hereof.

1.05 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, as co-borrowers under this Agreement and as co-makers on the Notes, in respect of the principal of and interest on, and all other amounts owing in respect of, the Loans and the Notes.

Section 2. Commitments, Loans, Notes 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 Effective 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 (such Loans being herein called "Revolving Credit Loans"), provided that in no event shall the aggregate principal amount of all Revolving Credit Loans 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 2.08 hereof) or Continue Revolving Credit Loans of one Type as Revolving Credit Loans of the same Type (as provided in Section 2.08 hereof).

(b) Term A Loans. On the Effective Date, all outstanding "Loans" under the Existing Credit Agreement held by the Existing Lenders, shall automatically and without any action on the part of any Person, be designated as Term A Loans hereunder and each of the New Lenders that is a Term A Lender (and each Existing Lender, if any, whose relative proportion of Term A Commitments hereunder is increasing over the proportion of Existing Loans held by it under the Existing Credit Agreement) shall, by assignments from the Existing Lenders (which shall be deemed to occur automatically on the Effective Date), acquire a portion of the Term A Loans of the Existing Lenders so designated in such amounts (and the Term A Lenders shall, through the Administrative Agent, make such additional adjustments among themselves as shall be necessary) so that after giving effect to such assignments and adjustments, the Term A Lenders shall hold the Term A Loans hereunder ratably in accordance with their respective Term A Commitments. On the Effective Date all "Interest Periods" in respect of the "Loans" under the Existing Credit Agreement that are designated as Term A Loans hereunder shall automatically be terminated and, subject to the terms and conditions of this Agreement (including, without limitation, paragraph (d) below), the Borrowers shall be permitted to Continue such "Loans" as Eurodollar Loans or to Convert such "Loans" into Base Rate Loans hereunder, in each case as provided in Section 2.08 hereof.

In addition to the foregoing, each Term A Lender severally agrees, on the terms and conditions of this Agreement, to make additional term loans to the Borrowers in Dollars on the Effective Date (provided that the same shall occur no later than the Term Loan Commitment Termination Date) in an aggregate principal amount up to but not exceeding the amount of the Term A Commitment of such Lender (such Loans, together with the "Loans" under the Existing Credit Agreement designated as Term Loans hereunder pursuant to the preceding paragraph, being herein called "Term A Loans"), provided that in no event shall the aggregate principal amount of all Term A Loans exceed the aggregate amount of the Term A Commitments as in effect on the Effective Date. Subject to the terms and conditions of this Agreement, on the Effective Date the Borrowers may borrow the amount of the unutilized Term A Commitments by means of Base Rate Loans and Eurodollar Loans, and thereafter the Borrowers may

Convert Term A Loans of one Type into Term A Loans of another Type (as provided in Section 2.08 hereof) or Continue Term A Loans of one Type as Term A Loans of the same Type (as provided in Section 2.08 hereof).

(c) Term B Loans. Each Term B Lender severally agrees, on the terms and conditions of this Agreement, to make one or more term loans to the Borrowers in Dollars on the Effective Date (provided that the same shall occur no later than the Term Loan Commitment Termination Date) in an aggregate principal amount up to but not exceeding the amount of the Term B Commitment of such Lender (such Loans, together with the "Loans" under the Existing Credit Agreement designated as Term B Loans hereunder pursuant to the preceding paragraph, being herein called "Term B Loans"), provided that in no event shall the aggregate principal amount of all Term B Loans exceed the aggregate amount of the Term B Commitments as in effect on the Effective Date. Subject to the terms and conditions of this Agreement, on the Effective Date the Borrowers may borrow the amount of the unutilized Term B Commitments by means of Base Rate Loans and Eurodollar Loans, and thereafter the Borrowers may Convert Term B Loans of one Type into Term B Loans of another Type (as provided in Section 2.08 hereof) or Continue Term B Loans of one Type as Term B Loans of the same Type (as provided in Section 2.08 hereof).

(d) Limit on Eurodollar Loans. No more than ten 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 1:00 p.m. New York time on the date specified for each borrowing hereunder, 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 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 Borrower designated by the Borrowers and maintained with Chase at its principal office.

2.03 Changes of Commitments.

(a) The aggregate amount of the Revolving Credit Commitments shall be automatically reduced to zero on the Revolving Credit Commitment Termination Date. In addition, the aggregate amount of the Revolving Credit Commitments shall be automatically reduced on each Revolving Credit Commitment Reduction Date set forth in column (A) below, (x) by an amount (subject to reduction pursuant to paragraph (c) below) equal to the amount set forth in column (B) below opposite such Revolving Credit Commitment Reduction Date, (y) to an amount (subject to reduction pursuant to paragraph (c) below) equal to the amount set forth in column (C) below opposite such Revolving Credit Commitment Reduction Date:

(A) Revolving Credit Commitment Reduction Date Falling on or Nearest to:	(B) Revolving Credit Commitments Reduced by the Following Amounts:	(C) Revolving Credit Commitments Reduced to the Following Amounts:
September 30, 1998	$ 100,000	$39,900,000
December 31, 1998	$ 100,000	$39,800,000
March 31, 1999	$ 700,000	$39,100,000
June 30, 1999		$ 700,000
$38,400,000		
September 30, 1999	$ 700,000	$37,700,000
December 31, 1999	$ 700,000	$37,000,000
March 31, 2000	$1,000,000	$36,000,000
June 30, 2000		$ 1,000,000
$35,000,000		

September 30, 2000	$1,000,000	$34,000,000
December 31, 2000	$1,000,000	$33,000,000
March 31, 2001	$1,300,000	$31,700,000
June 30, 2001		$ 1,300,000
$30,400,000		
September 30, 2001	$1,300,000	$29,100,000
December 31, 2001	$1,300,000	$27,800,000
March 31, 2002	$1,500,000	$26,300,000
June 30, 2002		$ 1,500,000
$24,800,000		
September 30, 2002	$1,500,000	$23,300,000
December 31, 2002	$1,500,000	$21,800,000
March 31, 2003	$1,700,000	$20,100,000
June 30, 2003		$ 1,700,000
$18,400,000		
September 30, 2003	$1,700,000	$16,700,000
December 31, 2003	$1,700,000	$15,000,000
March 31, 2004	$2,000,000	$13,000,000
June 30, 2004	$2,000,000	$11,000,000
September 30, 2004	$2,000,000	$ 9,000,000
December 31, 2004	$2,000,000	$ 7,000,000
March 31, 2005	$2,333,333	$ 4,666,667
June 30, 2005	$2,333,333	$ 2,333,334
September 30, 2005	$2,333,334	$ 0

(b) The Borrowers shall have the right at any time or from time to time (i) so long as no Revolving Credit Loans are outstanding, to terminate the Revolving Credit Commitments, (ii) so long as no Term A Loans are outstanding, to terminate the Term A Commitments, (iii) so long as no Term B Loans are outstanding, to terminate the Term B Commitments and (iv) to reduce the aggregate unused amount of the Commitments of any Class; 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 $500,000 (or a larger multiple of $100,000) and (z) prior to the making of the initial Loans hereunder, each such reduction of Commitments shall be applied ratably to the Commitments of each Class.

(c) Each reduction in the aggregate amount of the Revolving Credit Commitments pursuant to paragraph (b) above, or pursuant to Section 2.09(a) hereof, on any date shall be applied to the reductions set forth in the schedule in paragraph (a) above ratably as follows: each such reduction shall result in an automatic and simultaneous reduction (but not below zero) of the respective amounts set forth in column (B) at the end of paragraph (a) above (ratably in accordance with the respective remaining amounts thereof, after giving effect to any prior reductions pursuant to this paragraph (c)), with appropriate reductions (but not below zero) being made to the respective amounts set forth in column (C) of said paragraph (a) after giving effect to such reduction of the amounts in said column (B).

Each reduction in the aggregate amount of the Revolving Credit Commitments pursuant to Section 2.09(b) or 2.09(c) hereof on any date shall be applied to the reductions set forth in the schedule in paragraph (a) above in inverse order as follows: each such reduction shall result in the automatic and simultaneous reduction (but not below zero) in the aggregate amount of the Revolving Credit Commitments for each Revolving Credit Commitment Reduction Date (as reflected in column (C) at the end of paragraph (a) above) after such date in an amount equal to the amount of such reduction.

(d) The aggregate amount of the Term A and Term B Commitments shall be automatically reduced to zero on the Term Loan Commitment Termination Date.

(e) The Commitments once terminated or reduced may not be reinstated.

2.04 Commitment Fee.

The Borrowers shall pay to the Administrative Agent for account of each Lender a commitment fee on the daily average unused amount of such Lender's Revolving Credit Commitment, 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 1/2 of 1%. Accrued commitment fee shall be payable on each Quarterly Date and on the earlier of the date the relevant Commitments are terminated and the Revolving Credit Commitment Termination Date.

2.05 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.

2.06 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 or the Notes (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 and the Notes 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.

2.07 Notes.

(a) The Revolving Credit Loans (other than Registered Loans) made by each Lender shall be evidenced by a single promissory note of the Borrowers substantially in the form of Exhibit A-1 hereto, dated the date hereof, payable to such Lender in a principal amount equal to the amount of its Revolving Credit Commitment as originally in effect and otherwise duly completed.

(b) The Term A Loans (other than Registered Loans) made by each Lender shall be evidenced by a single promissory note of the Borrowers substantially in the form of Exhibit A-2 hereto, dated the date hereof, payable to such Lender in a principal amount equal to the amount of its Term A Commitment as originally in effect and otherwise duly completed.

(c) The Term B Loans (other than Registered Loans) made by each Lender shall be evidenced by a single promissory note of the Borrowers substantially in the form of Exhibit A-3 hereto, dated the date hereof, payable to such Lender in a principal amount equal to the amount of its Term B Commitment as originally in effect and otherwise duly completed.

(d) The date, amount, Type, interest rate and duration of Interest Period (if applicable) of each Loan of each Class made by each Lender to the Borrowers, and each payment made on account of the principal thereof, shall be recorded by such Lender on its books and, prior to any transfer of any Note evidencing the Loans of such Class held by it, endorsed by such Lender on the schedule attached to such Note or any continuation thereof; provided that the failure of such Lender to make any such recordation or endorsement shall not affect the obligations of the Borrowers to make a payment when due of any amount owing hereunder or under such Note in respect of such Loans.

(e) No Lender shall be entitled to have its Notes substituted or exchanged for any reason, or subdivided for promissory notes of lesser denominations, except in connection with a permitted assignment of all or any portion of such Lender's relevant Commitment, Loans and Notes pursuant to Section 11.06 hereof and except as provided in clause (e) below (and, if requested by any Lender, the Borrowers agree to so exchange any Note).

(f) Notwithstanding the foregoing, any Lender that is not a U.S. Person and is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code may request the Borrowers (through the Administrative Agent), and the Borrowers agree thereupon, to record (or cause to be recorded by the Administrative Agent in accordance with Section 11.06(g) hereof) on the Register referred to in said Section 11.06(g) any Loans of any Class held by such Lender under this Agreement. Loans recorded on the Register ("Registered Loans") may not be evidenced by promissory notes other than Registered Notes as defined below and, upon the registration of any Loan, any promissory note (other than a Registered Note) evidencing the same shall be null and void and shall be returned to the Borrowers. The Borrowers agree, at the request of any Lender that is the holder of Registered Loans, to execute and deliver to such Lender a promissory note in registered form to evidence such Registered Loans (i.e. containing the optional registered note language as indicated in Exhibits A-1, A-2 or A-3 hereto, as the case may be) and registered as provided in Section 11.06(g) hereof (herein, a

"Registered Note"), dated the date hereof, payable to such Lender and otherwise duly completed. A Loan once recorded on the Register may not be removed from the Register so long as it remains outstanding and a Registered Note may not be exchanged for a promissory note that is not a Registered Note.

2.08 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);

(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 Term Loan shall be effected in such manner so that the Term Loans of both Classes are concurrently prepaid ratably in accordance with the respective outstanding principal amounts thereof and the aggregate principal amount of all such concurrent prepayments is at least equal to $1,000,000 or a greater multiple of $100,000;

(d) prepayments of the Term Loans shall be applied to the remaining installments of such Loans ratably in accordance with the respective principal amounts thereof; and

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

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.

2.09 Mandatory Prepayments and Reductions of Commitments.

(a) Excess Cash Flow. Not later than the date 150 days after the end of the 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, 1999, the Borrowers shall prepay the Loans, and the Commitments shall be subject to automatic reduction, in an aggregate amount equal to 50% of Excess Cash Flow for such fiscal year, such prepayment and reduction to be effected in each case in the manner and to the extent specified in paragraph (d) of this Section 2.09.

(b) Equity and Debt Issuances. Upon any Equity Issuance or Debt Issuance, the Borrowers shall prepay the Loans, and the Commitments shall be subject to automatic reduction, in an aggregate amount equal to 100% of the Net Available Proceeds thereof, such prepayment and reduction to be effected in each case in the manner and to the extent specified in paragraph (d) of this Section 2.09.

(c) 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 as to which a prepayment has not yet been made under this Section 2.09(c), shall exceed $2,000,000 then, no later than five Business Days prior to the occurrence of the Current Disposition, the Borrowers will deliver 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 the Commitments shall be subject to automatic reduction, in an aggregate amount equal to 100% of the Net Available Proceeds of the Current Disposition and such prior Dispositions, such prepayment and reduction to be effected in each case in the manner and to the extent specified in paragraph (d) of this Section 2.09.

(d) Application. Upon the occurrence of any of the events described in paragraphs (a), (b) or (c) of this Section 2.09, the amount of the required prepayment shall be applied to the reduction of the Revolving Credit Commitments and the prepayment of the Term Loans of each Class then outstanding ratably in accordance with the respective then-outstanding aggregate amounts of such Commitments and Loans (and to the simultaneous prepayment of the Revolving Credit Loans in an amount equal to such required reduction of Revolving Credit Commitments), provided that to the extent any such required reduction of Revolving Credit Commitments shall exceed the then-outstanding aggregate principal amount of Revolving Credit Loans, such excess shall be applied to the prepayment of Term Loans. Each such prepayment of Term Loans under paragraph (a) of this Section 2.09 shall be applied to the installments thereof ratably in accordance with the respective principal amounts of such installments and each prepayment of Term Loans under paragraph (b) or (c) of this Section 2.09 shall be applied to the installments thereof in inverse order of maturity.

Section 3. Payments of Principal and Interest.

3.01 Repayment of Loans.

(a) The Borrowers hereby jointly and severally promise to pay to the Administrative Agent for 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. In addition, if following any Revolving Credit Commitment Reduction Date the aggregate principal amount of the Revolving Credit Loans shall exceed the Revolving Credit Commitments, the Borrowers shall pay Revolving Credit Loans in an aggregate amount equal to such excess.

(b) The Borrowers hereby jointly and severally promise to pay to the Administrative Agent for account of each Lender the principal of such Lender's Term A Loans in twenty-nine consecutive quarterly installments payable on the Principal Payment Dates as follows:

Principal Payment Date	Amount of Installment ($)
June 30, 1998	$ 83,333
September 30, 1998	$ 83,334

December 31, 1998	$ 83,333
March 31, 1999	$ 875,000
June 30, 1999	$ 875,000
September 30, 1999	$ 875,000
December 31, 1999	$ 875,000
March 31, 2000	$1,250,000
June 30, 2000	$1,250,000
September 30, 2000	$1,250,000
December 31, 2000	$1,250,000
March 31, 2001	$1,625,000
June 30, 2001	$1,625,000
September 30, 2001	$1,625,000
December 31, 2001	$1,625,000
March 31, 2002	$1,875,000
June 30, 2002	$1,875,000
September 30, 2002	$1,875,000
December 31, 2002	$1,875,000
March 31, 2003	$2,125,000
June 30, 2003	$2,125,000
September 30, 2003	$2,125,000
December 31, 2003	$2,125,000
March 31, 2004	$2,500,000
June 30, 2004	$2,500,000
September 30, 2004	$2,500,000
December 31, 2004	$2,500,000
March 31, 2005	$4,375,000
June 30, 2005	$4,375,000

If the full amount of the aggregate Term A Commitments are not borrowed (or designated as Term A Loans as provided in Section 2.01 hereof) on or before the Term Loan Commitment Termination Date, the shortfall shall be applied to reduce the foregoing installments ratably.

(c) The Borrowers hereby jointly and severally promise to pay to the Administrative Agent for account of each Lender the principal of such Lender's Term B Loans in thirty-three consecutive quarterly installments payable on the Principal Payment Dates as follows:

Principal Payment Date	Amount of Installment ($)
September 30, 1997	$ 25,000
December 31, 1997	$ 25,000
March 31, 1998	$ 25,000
June 30, 1998	$ 25,000
September 30, 1998	$ 25,000
December 31, 1998	$ 25,000
March 31, 1999	$ 25,000
June 30, 1999	$ 25,000
September 30, 1999	$ 25,000
December 31, 1999	$ 25,000
March 31, 2000	$ 25,000
June 30, 2000	$ 25,000
September 30, 2000	$ 25,000
December 31, 2000	$ 25,000
March 31, 2001	$ 25,000
June 30, 2001	$ 25,000
September 30, 2001	$ 25,000
December 31, 2001	$ 25,000
March 31, 2002	$ 25,000
June 30, 2002	$ 25,000
September 30, 2002	$ 25,000
December 31, 2002	$ 25,000
March 31, 2003	$ 25,000
June 30, 2003	$ 25,000
September 30, 2003	$ 25,000
December 31, 2003	$ 25,000
March 31, 2004	$ 25,000
June 30, 2004	$ 25,000
September 30, 2004	$ 25,000
December 31, 2004	$ 25,000
March 31, 2005	$ 25,000
June 30, 2005	$ 25,000
September 30, 2005	$9,200,000

If the full amount of the aggregate Term B Commitments are not borrowed on or before the Term Loan Commitment Termination Date, the shortfall shall be applied to reduce the foregoing installments ratably.

3.02 Interest.

The Borrowers hereby jointly and severally promise to pay to the Administrative Agent for 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 account of each Lender interest at the applicable Post-Default Rate on any principal of any Loan made by such Lender and on any other amount payable by the Borrowers hereunder or under the Notes held by such Lender to or for account of such Lender, that shall not be paid in full when due (whether at stated maturity, by 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 on 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) The Applicable Margin for all Quarterly Payment Periods through and including the Quarterly Payment Period ending July 21, 1997, shall be determined under the assumption that the Rate Ratio is 5.50 to 1. 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 Lenders and the Administrative Agent under this Section 3.03. If the Rate Ratio Certificate for any Quarterly Payment Period is delivered to the Administrative Agent 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) 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) 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 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 to the Lenders 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) In the event of any retroactive increase in the Applicable Margin for any Quarterly Payment Period pursuant to clause (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 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) Except to the extent otherwise provided herein, all payments of principal, interest and other amounts to be made by the Borrowers under this Agreement and the Notes, 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) 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 a Borrower 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) The Borrowers shall, at the time of making each payment under this Agreement or any Note for account of any Lender, specify to the Administrative Agent (which shall so notify the intended recipient(s) thereof) the Loans 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) Each payment received by the Administrative Agent under this Agreement or any Note for account of any Lender shall be paid by the Administrative Agent promptly to such Lender, in immediately available funds, for account of such Lender's Applicable Lending Office for the Loan or other obligation in respect of which such payment is made.

(e) If the due date of any payment under this Agreement or any Note 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 from the Lenders under Section 2.01 hereof shall be made from the relevant Lenders, each payment of commitment fee under Section 2.04 hereof in respect of Commitments of a particular Class shall be made for account of the relevant Lenders, and each termination or reduction of the amount of the Commitments of a particular Class under Section 2.03 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 having the same Interest Period shall be allocated pro rata among the relevant Lenders according to the amounts of their respective Revolving Credit, Term A and Term B Commitments (in the case of the making of Loans) or their respective Revolving Credit, Term A and Term B Loans (in the case of Conversions and Continuations of Loans); (c) each payment or prepayment of principal of Revolving Credit Loans, Term A Loans or Term B Loans by the Borrowers shall be made for 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, Term A Loans and Term B Loans by the Borrowers shall be made for 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 commitment fee 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 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 2.09 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 prepayments of Term Loans, as to which the provisions of Section 2.08(c) hereof shall apply) shall be in an aggregate amount at least equal to $100,000 or a larger multiple of $100,000 and each borrowing, Conversion and partial prepayment of Eurodollar Loans (other than prepayments of Term Loans, as to which the provisions of Section 2.08(c) hereof shall apply) shall be in an aggregate amount at least equal to $1,000,000 or a larger multiple of $100,000 (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 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:

Notice	Number of Business Days Prior
Termination or reduction of Commitments	3
Borrowing or prepayment of, or 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 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 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) 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 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) If any Lender shall obtain from any Borrower payment of any principal of or interest on any Loan 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 of such 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 of such 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 of such 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) 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) 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.

Section 5. Yield Protection, Etc.

5.01 Additional Costs.

(a) 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 its Notes or changes the basis of taxation of any amounts payable to such Lender under this Agreement or its Notes 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 its Notes (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) 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) 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 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 Revolving Credit Loans, the Majority Revolving Credit Lenders, if the related Loans are Term A Loans, the Majority Term A Lenders determine or if the related Loans are Term B Loans the Majority Term B Lenders, 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 2.08 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 or to Continue, or to Convert Base Rate Loans into, Eurodollar Loans shall be suspended pursuant to Section 5.01 or 5.03 hereof, such Lender's Eurodollar Loans shall be automatically Converted into Base Rate Loans 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 have been so Converted, all payments and prepayments of principal that would otherwise be applied to such Lender's Eurodollar Loans shall be applied instead to its Base Rate Loans; and

(b) all Loans 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 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 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).

5.06 U.S. Taxes.

(a) 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 net payment of any amount due to such non-U.S. Person hereunder after deduction for or withholding in respect of any U.S. Taxes imposed with respect to such payment (or in lieu thereof, payment of such U.S. Taxes by such non-U.S. Person), 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) to any payment to any Lender hereunder (other than in respect of any Registered Loan) unless such Lender is, on the date hereof (or on the date it becomes a Lender hereunder as provided in Section 11.06(b) hereof) and on the date of any change in the Applicable Lending Office of such Lender, either entitled to submit a Form 1001 (relating to such Lender and entitling it to a complete exemption from withholding on all interest to be received by it hereunder in respect of the Loans) or Form 4224 (relating to all interest to be received by such Lender hereunder in respect of the Loans),

(ii) to any payment to any Lender hereunder in respect of a Registered Loan (a "Registered Holder"), unless such Registered Holder (or, if such Registered Holder is not the beneficial owner of such Registered Loan, the beneficial owner thereof) is, on the date hereof (or on the date such Registered Holder becomes a Lender as provided in Section 11.06(b) hereof) and on the date of any change in the Applicable Lending Office of such Lender, entitled to submit a Form W-8, together with an annual certificate stating that (x) such Registered Holder (or beneficial owner, as the case may be) is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, and (y) such Registered Holder (or beneficial owner, as the case may be) shall promptly notify the Borrowers if at any time, such Registered Holder (or beneficial owner, as the case may be) determines that it is no longer in a position to provide such certificate to the Borrowers (or any other form of certification adopted by the relevant taxing authorities of the United States of America for such purposes), or

(iii) to any U.S. Taxes imposed solely by reason of the failure by such non-U.S. Person (or, if such non-U.S. Person is not the beneficial owner of the relevant Loan, such beneficial owner) to 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 non-U.S. Person (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.

For the purposes of this Section 5.06(a), (A) "Form 1001" shall mean Form 1001 (Ownership, Exemption, or Reduced Rate

Certificate) of the Department of the Treasury of the United States of America, (B) "Form 4224" shall mean Form 4224 (Exemption from Withholding of Tax 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 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) and (C) "Form W-8" shall mean Form W-8 (Certificate of Foreign Status of the Department of Treasury of the United States of America). Each of the Forms referred to in the foregoing clauses (A), (B) and (C) shall include such successor and related forms 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) 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 non-U.S. Person evidence satisfactory to such Person of such deduction, withholding or payment (as the case may be).

5.07 Replacement of Lenders.

If any Lender requests compensation pursuant to Section 5.01 or 5.06 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 and such Requesting Lender's Notes 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 or 5.06, hereof, such Proposed Lender's aggregate requested compensation, if any, pursuant to said Section 5.01 or 5.06 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 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

Section 6. Conditions Precedent.

6.01 Initial Loan.

The effectiveness of this Agreement (and the amendment and restatement of the Existing Credit Agreement to be effected hereby), and the obligation of any Lender to make its initial Loan hereunder is subject to the conditions precedent that (i) such effectiveness shall occur on or before June 30, 1997 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) Corporate Documents. Certified copies of each 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 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 Loans 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 Effective Date, to the effect set forth in the first sentence of Section 6.02 hereof.

(c) Opinions of Counsel to the Obligors. An opinion, dated the Effective Date, of Cooperman Levitt Winikoff Lester & Newman, P.C., counsel to the Obligors, substantially in the form of Exhibit G hereto and covering such other matters as the Administrative Agent or 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 Chase. An opinion, dated the Effective Date, of Milbank, Tweed, Hadley & McCloy, special New York counsel to Chase, substantially in the form of Exhibit H hereto (and Chase hereby instructs such counsel to deliver such opinion to the Lenders).

(e) Notes. The Notes, duly completed and executed for each Lender (except that, in the case of a Registered Holder, Notes shall be required only to the extent that such Registered Holder shall have requested the execution and delivery of a Note pursuant to Section 2.07(f) hereof).

(f) Security Agreement. The Security Agreement, duly executed and delivered by the Borrowers, each of the Subsidiaries of the Borrowers in existence on the Effective Date 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 Security 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 the Parent Guarantors and the Administrative Agent and the certificates (if any) evidencing the ownership interests in each Borrower held by the Parent Guarantors, accompanied by undated stock powers executed in blank. In addition, the Parent Guarantors 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, (i) delivering to the Administrative Agent, for filing, appropriately completed and duly executed copies of Uniform Commercial Code financing statements, (ii) with respect to the ownership interests in each Borrower held by the Parent Guarantors, executing and delivering written instructions to such Borrower to register the Lien created hereunder in such ownership interests in the registration books maintained by such Borrower for such registrations and (iii) delivering to the Administrative Agent a written confirmation from such Borrower to the effect that the Lien created by the Guarantee and Pledge Agreement in the ownership interests in such Borrower has been duly registered in the registration books of such Borrower.

(h) Deeds of Trust. One or more Deeds of Trust (or modifications and confirmations to Deeds of Trust executed and delivered pursuant to the Existing Credit Agreement), covering any material fee or leasehold property of the Borrowers or any of their Subsidiaries, in each case, duly executed and delivered by the respective Obligor and to the extent necessary under applicable law, for filing in the appropriate county land office(s), Uniform Commercial Code financing statements covering fixtures relating to the Property covered by such Deeds of Trust, in each case appropriately completed and duly executed. In addition, the Borrowers shall have paid an amount equal to any recording and stamp taxes payable in connection with recording any such Deeds of Trust (or modifications and confirmations).

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

(j) Lower Delaware Acquisition. Evidence that the Lower Delaware Acquisition shall have been duly consummated by Mediacom Delaware in accordance with the terms of the Lower Delaware Acquisition Agreement, including the schedules and exhibits thereto (except for any modifications, supplements or waivers thereof, or written consents or determinations made by any of the parties thereto, each of which shall be satisfactory to the Majority Lenders), and the Administrative Agent shall have received a certificate of a Senior Officer to such effect and to the effect that attached thereto are true and complete copies of the documents delivered in connection with the closing thereunder, together with (in the case of each legal opinion delivered to the Borrowers pursuant thereto) a letter 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.

(k) Repayment of Existing Indebtedness. Evidence that, to the extent the assets purchased in the Lower Delaware 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).

(l) Subscribers. Evidence, that as of the Effective Date and after giving effect to the Lower Delaware Acquisition, the Borrowers and their Subsidiaries shall have at least 54,800 Basic Subscribers (or, if the Sea Colony Consent (as defined in the Lower Delaware Acquisition Agreement) has not been obtained, at least 53,800 Basic Subscribers).

(m) Financial Statements. An unaudited combined pro forma balance sheet of the Borrowers and their Subsidiaries as at the Effective Date giving effect to the Lower Delaware Acquisition and the initial Loans hereunder to be outstanding on the Effective Date (subject, however, to asset value adjustments based on subsequent appraisals), in form and providing such details as are reasonably satisfactory to the Administrative Agent, together with a certificate of a Senior Officer stating that said balance sheet fairly presents the pro forma financial condition of the Borrowers and their Subsidiaries as at such date in accordance with GAAP, after giving effect to the Lower Delaware Acquisition and the initial Loans hereunder to be outstanding on the Effective Date.

(n) Adjusted System Cash Flow. Evidence, that as of the Effective Date and after giving effect to the Lower Delaware Acquisition, based on the three-month period ended May 31, 1997, the product of (i) such Adjusted System Cash Flow times (ii) four is at least equal to $10,800,000 (or, if the Sea Colony Consent (as defined in the Lower Delaware Acquisition Agreement) has not been obtained, at least equal to $10,600,000).

(o) <u>Approvals</u>. Evidence of receipt of all licenses, permits, approvals and consents, if any, required with respect to the Lower Delaware Acquisition (including, without limitation, the consents of the respective municipal franchising authorities to the acquisition of the respective CATV Systems being acquired by Mediacom Delaware pursuant to the Lower Delaware Acquisition).

(p) <u>Capitalization</u>. Evidence that Mediacom Delaware has received net cash consideration (prior to the payment of any transaction expenses) of (i) not less than $18,500,000 representing an equity contribution by Mediacom to Mediacom Delaware and (ii) not less than $2,100,000 (including the $1,100,000 deposit made by Mediacom with respect to the Lower Delaware Acquisition) representing proceeds of the issuance of Affiliate Subordinated Indebtedness, in each case upon terms and conditions in form and substance satisfactory to the Majority Lenders, and the Administrative Agent shall have received copies of each of the instruments pursuant to which such equity interests and Affiliate Subordinated Indebtedness shall have been issued, certified by a Senior Officer.

(q) <u>Other Documents</u>. Such other documents as the Administrative Agent or any Lender or special New York counsel to Chase may reasonably request.

The effectiveness of this Agreement (and the amendment and restatement of the Existing Credit Agreement contemplated hereby) and the obligation of any Lender to make its initial Loan hereunder is also subject (i) 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, special New York counsel to Chase, in connection with the negotiation, preparation, execution and delivery of this Agreement, the Notes and the other Loan Documents and the making of the Loans hereunder (to the extent that statements for such fees and expenses have been delivered to the Borrowers) and (ii) to the payment by the Borrowers to the Existing Lenders of accrued interest on, and all amounts owing pursuant to Section 5.05 of the Existing Credit Agreement in respect of the "Loans" under the Existing Credit Agreement, on the Effective Date as if such "Loans" were being prepaid in full on the Effective Date.

6.02 Initial and Subsequent Loans.

The obligation of the Lenders to make any Loan to the Borrowers upon the occasion of each borrowing hereunder (including the initial borrowing) is subject to the further conditions precedent that, both immediately prior to the making of such Loan and also after giving effect thereto and to the intended use thereof:

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

(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 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); and

(c) if the Sun City Acquisition shall not have occurred, the aggregate principal amount of Loans outstanding shall not exceed $65,000,000.

Each notice of borrowing 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 and, unless the Borrowers otherwise notifies the Administrative Agent prior to the date of such borrowing, as of the date of such borrowing).

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

7.01 Corporate 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:

(i) audited combined consolidated statements of income, retained earnings and cash flows of Mediacom California and Mediacom Arizona and their Subsidiaries for the fiscal year ended December 31, 1996, and the related combined balance sheet of Mediacom California and Mediacom Arizona and their Subsidiaries as at the end of such fiscal year;

(ii) unaudited balance sheets of the CATV Systems being acquired pursuant to the Spring 1997 Acquisitions as at December 31, 1996 and the related unaudited statements of operations for the fiscal year ended on said date; and

(iii) an unaudited pro forma combined balance sheet of the Borrowers and their Subsidiaries as at March 31, 1997, prepared under the assumption that the Spring 1997 Acquisitions were consummated on said date and that all of the transactions contemplated by Section 6.01 hereof had been effected on such date.

All such financial statements are complete and correct and fairly present in all material respects the actual or pro forma (as the case may be) consolidated financial condition of the respective entities as at said respective dates and the actual or pro forma (as the case may be) results of their operations for the applicable periods ended on said respective dates, all in accordance with generally accepted accounting principles and practices applied on a consistent basis. None of the Borrowers nor any of its Subsidiaries has on the date hereof any material contingent liabilities, liabilities for taxes, unusual forward or long-term commitments or unrealized or anticipated losses from any unfavorable commitments, except as referred to or reflected or provided for in said pro forma balance sheet as at March 31, 1997. Since December 31, 1996, there has been no material adverse change in the combined financial condition, operations, business or prospects (x) of Mediacom California and Mediacom Arizona and their Subsidiaries taken as a whole from that set forth in said financial statements as at December 31, 1996 referred to in clause (i) above, (y) of the CATV Systems (taken as a whole) to be purchased by Mediacom Delaware on or before the Effective Date from that set forth in said financial statements as at December 31, 1996, referred to in clause (ii) above, or (z) of the Borrowers and their Subsidiaries taken as a whole from that set forth in said pro forma balance sheet as at March 31, 1997 referred to in clause (iii) above.

7.03 Litigation. 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, or against American Cable TV Investors 5, Ltd. (and in respect of which Mediacom Delaware would be obligated after giving effect to the Lower Delaware Acquisition), or, on or after the consummation of the Sun City Acquisition, against CoxCom, Inc. (and in respect of which Mediacom California would be obligated after giving effect to the Sun City Acquisition), that, if adversely determined could (either individually or in the aggregate) have a Material Adverse Effect.

7.04 No Breach. None of the execution and delivery of this Agreement and the Notes 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 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 limited liability company action on its part (including, without limitation, any required member approvals); and this Agreement has been duly and validly executed and delivered by each Borrower and constitutes, and each of the Notes and the other Basic Documents to which it is a party when executed and delivered (in the case of the Notes, for value) 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 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, (ii) the authorizations, approvals, consents, filings and registrations contemplated by the Spring 1997 Acquisition Agreements (each of which shall have been made or obtained on or before the date of the closings of the Spring 1997 Acquisitions, to the extent required under the Spring 1997 Acquisition Agreements to be obtained before such date, except that orders of the FCC may not have become final under the rules and regulations of the FCC) and (iii) the exercise of remedies under the Security Documents (and the creation of a valid security interest in Franchises and the other Collateral as described in Sections 6.01(f) and 8.18 hereof) may require the 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 the Borrowers would be under an obligation to furnish a report to the Lenders under Section 8.01(e) hereof.

7.08 Taxes. Each Borrower and its Subsidiaries have 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 each Borrower and its 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) Part A of Schedule I hereto sets forth (i) a complete and correct list of each credit agreement, loan agreement, indenture, purchase agreement, guarantee, 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 Effective Date) will be outstanding on the Effective Date, the aggregate principal or face amount of which equals or exceeds (or may equal or exceed) $100,000, 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 I, 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, or that (after giving effect to the transactions contemplated hereunder to occur on or before the Effective Date) will be outstanding on the Effective Date.

(b) Part B of Schedule I 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 Effective Date) will be outstanding on the Effective Date, the aggregate principal or face amount of which equals or exceeds (or may equal or exceed) $100,000 and covering any 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 I.

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 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 and Mediacom Management Corporation, the only member of Mediacom Delaware on the date hereof is Mediacom and the only members of Mediacom Arizona on the date hereof are Mediacom and Mediacom California. As of the date hereof, (x) there are no outstanding Equity Rights with respect to any Borrower and (y) there are no outstanding obligations of any Borrower or any of their Subsidiaries to repurchase, redeem, or otherwise acquire any equity interests in any Borrower 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 its Subsidiaries.

7.14 Subsidiaries, Etc.

(a) As of the date hereof, none of the Borrowers has any Subsidiaries.

(b) Set forth in Schedule II 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 Schedule II 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.

(c) None of the Subsidiaries of the Borrowers is, on the date hereof, subject to any indenture, agreement, instrument or other arrangement of the type described in Section 8.18(d) hereof.

7.15 True and Complete Disclosure. The information, reports, financial statements, exhibits and schedules 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 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. Set forth in Schedule III hereto is a complete and correct list of all Franchises (identified by issuing authority, franchisee and expiration date) owned by the Borrowers and their Subsidiaries on the date hereof. Each of the Borrowers and their Subsidiaries possesses or has the right to use all such Franchises, and all copyrights, licenses, trademarks, service marks, trade names or other rights, including licenses and permits granted 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 conduct of the CATV Systems of the Borrowers and their Subsidiaries, except for such of the foregoing the absence of which could not have a Material Adverse Effect on the Borrowers or any of their Subsidiaries, and each of such Franchises, copyrights, licenses, patents, trademarks, service marks, trade names and rights is (or on the Effective Date will be) in full force and effect and no material default has occurred and is continuing thereunder. No approval, application, filing, registration, consent or other action of any local, state or federal authority is required to enable the

Borrowers or any of their Subsidiaries to operate the CATV Systems of the Borrowers and their Subsidiaries, except for approvals, applications, filings, registrations, consents or other actions that (if not made or obtained) could not have a Material Adverse Effect on the Borrowers or any of their Subsidiaries. None of the Borrowers nor any of its Subsidiaries has 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. Complete and correct copies of all Franchises have heretofore been delivered to the Administrative Agent.

7.17 The CATV Systems.

(a) Each of the Borrowers and their Subsidiaries, and, (after giving effect to the transactions contemplated hereunder to occur on or before the Effective Date), the CATV Systems to be owned by it, are in compliance with all applicable federal, state and local laws, rules and regulations, including without limitation, the Communications Act of 1934, the Cable Communications Policy Act of 1984, the Cable Television Consumer Protection and Competition Act of 1992, the Copyright Revision Act of 1976, and the rules and regulations of the FCC and the United States Copyright Office, including, without limitation, rules and laws governing system registration, use of aeronautical frequencies and signal carriage, equal employment opportunity, cumulative leakage index testing and reporting, signal leakage, and subscriber privacy, 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 IV hereto:

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

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

(iii) to the knowledge of the Borrowers, such CATV Systems currently meet or exceed the technical standards set forth in the rules and regulations of the FCC, including, without limitation, the leakage limits contained in 47 C.F.R. Section 76.605(a)(11);

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

(b) To the knowledge of the Borrowers, all notices, statements of account, supplements and other documents required under Section 111 of the Copyright Act of 1976 and under the rules of the Copyright Office with respect to the carriage of off-air signals by the CATV Systems to be owned by the Borrowers and their Subsidiaries (after giving effect to the transactions contemplated hereunder to occur on or before the Effective Date) 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 of 1976, 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.

(c) The carriage of all off-air signals by the CATV Systems to be owned by the Borrowers and their Subsidiaries (after giving effect to the transactions contemplated hereunder to occur on or before the Effective Date) is permitted by valid transmission 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.

(d) The assets of the CATV Systems to be owned by the Borrowers and their Subsidiaries (after giving effect to the transactions contemplated hereunder to occur on or before the Effective Date) are adequate and sufficient for all of the current operations of such CATV System.

7.18 Rate Regulation. Each of the Borrowers and their Subsidiaries have each reviewed and evaluated in detail the FCC rules currently in effect (the "Rate Regulation Rules") implementing the rate regulation provisions of the Cable Television Consumer Protection and Competition Act of 1992 (the "Rate Regulation Act"). Based upon such review and completion by the Borrowers and their Subsidiaries of all applicable worksheets contemplated by the Rate Regulation Rules for each CATV System to be owned by the Borrowers and their Subsidiaries (after giving effect to the transactions contemplated hereunder to occur on or before the Effective Date):

(i) except as set forth in Schedule IV hereto, to the knowledge of the Borrowers, none of such CATV Systems is subject to effective competition as of the date hereof;

(ii) except as set forth in Schedule IV hereto, no franchising authority has notified any Borrower or any of its Subsidiaries or any Spring 1997 Seller of its application to be certified to regulate rates as provided in Section 76.910 of the Rate Regulation Rules;

(iii) except as set forth in Schedule IV hereto, no franchising authority has notified the Borrowers or any of their Subsidiaries or any Spring 1997 Seller that it has been certified and has adopted regulations required to commence regulation as provided in Section 76.910(c)(2) of the Rate Regulation Rules; and

(iv) no reduction of rates or refunds to subscribers is required as of the date hereof under the Rate Regulation Act and the Rate Regulation Rules applicable to the CATV Systems of the Borrowers and their Subsidiaries.

7.19 Real Property. Set forth on Schedule V attached hereto is a list of all of the real property interests to be held by the Borrowers and their Subsidiaries on the Effective Date (after giving effect to the transactions contemplated hereunder to occur on or before the Effective Date), indicating in each case whether the respective Property is to be owned or leased, the identity of the owner or lessee and the location of the respective Property.

7.20 Acquisition Agreements. The Borrowers have heretofore delivered to the Administrative Agent a true and complete copy of each of the Spring 1997 Acquisition Agreements (including all modifications or supplements to any thereof) and each of the Spring 1997 Acquisition Agreements has been duly executed and delivered by each party thereto and is in full force and effect.

Section 8. Covenants of the Borrowers. Each Borrower covenants and agrees with the Lenders and the Administrative Agent that, so long as any Commitment or Loan 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 each of the Lenders:

(a) as soon as available and in any event within 60 days after the end of each quarterly fiscal period of each fiscal year of the Borrowers, combined statements of income, retained earnings and cash flows of the Borrowers and their Subsidiaries (and, separately stated, for each Borrower and its Subsidiaries if requested by the Administrative Agent) 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 sheets of the Borrowers and their Subsidiaries (and, separately stated, for each Borrower and its Subsidiaries, if so requested) as at the end of such period, setting forth, in each case (other than financial statements for any period ending on or prior to December 31, 1996) in comparative form the corresponding combined 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 combined financial statements fairly present the combined financial condition and results of operations of the Borrowers and their Subsidiaries (and said separate financial statements fairly present the separate consolidated financial condition and results of operations of the respective Borrower and its 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 (and, separately stated, for each Borrower and its Subsidiaries if requested by the Administrative Agent) for such fiscal year and the related combined balance sheets of the Borrowers and their Subsidiaries (and, separately stated, for each Borrower and its Subsidiaries, if requested) as at the end of such fiscal year, setting forth, in each case (other than financial statements for the fiscal year ending on December 31, 1996) in comparative form the corresponding combined figures for the preceding fiscal year, and accompanied (x) in the case of said combined financial statements, by an opinion thereon of independent certified public accountants of recognized national standing, which opinion shall state that said combined financial statements fairly present 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, and a statement of such accountants to the effect that, in making the examination necessary for their opinion, nothing came to their attention that caused them to believe that the Borrowers were not in compliance with Sections 8.07, 8.08, 8.09, 8.10, 8.11, 8.12 or 8.15 hereof, insofar as such Sections relate to accounting matters and (y) in the case of said separate financial statements, by a certificate of a Senior Officer, which certificate shall state that said separate financial statements fairly present the separate consolidated financial condition and results of operations of the respective Borrower and its Subsidiaries, in accordance with generally accepted accounting principles, consistently applied, as at the end of, and for, such period;

(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 to the members of the Borrowers generally or to holders of Affiliate Subordinated Indebtedness generally, 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 such Borrower or its ERISA Affiliate proposes to take with respect thereto (and a copy of any report or notice required to be filed with or given to the PBGC by any Borrower 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 any Borrower or an ERISA Affiliate to terminate any Plan;

(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 any Borrower 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 any Borrower 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 any Borrower 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, would result in the loss of tax-exempt status of the trust of which such Plan is a part if any Borrower 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, 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 it furnishes 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 propose 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 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, would 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, would 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 any Borrower or any of its 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;

(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, and with respect to Property and risks of a character usually maintained by corporations 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 it 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 $500,000 and (ii) any equipment, programming rights or other Property sold or disposed of in the ordinary course of business and on ordinary business terms).

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

(i) Intercompany Mergers and Consolidations. 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 Subsidiary of a Borrower may sell, lease, transfer or otherwise dispose of any or all of its Property (upon voluntary liquidation or otherwise) to such Borrower or a Wholly Owned Subsidiary of such Borrower.

(iii) Spring 1997 Acquisitions. The Borrowers may consummate the Spring 1997 Acquisitions, so long as the same are consummated in accordance in all material respects with the respective Spring 1997 Acquisition Agreement and, in the case of the Sun City Acquisition:

(A) the Sun City Acquisition shall have been consummated on or before September 30, 1997;

(B) at the time thereof, the Borrowers shall have delivered to the Administrative Agent evidence that the Sun City Acquisition has been duly consummated by Mediacom California in accordance with the terms of the Sun City Acquisition Agreement, including the schedules and exhibits thereto (except for any modifications, supplements or waivers thereof, or written consents or determinations made by any of the parties thereto, each of which shall be satisfactory to the Majority Lenders), and the Administrative Agent shall have received (and shall promptly forward copies thereof to each Lender, if requested by such Lender) a certificate of a Senior Officer to such effect and to the effect that attached thereto are true and complete copies of the documents delivered in connection with the closing thereunder, together with (in the case of each legal opinion delivered to the Borrowers pursuant thereto) a letter 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;

(C) to the extent the assets purchased in the Sun City 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);

(D) after giving effect to the Sun City Acquisition, the Borrowers and their Subsidiaries shall have at least 64,200 Basic Subscribers, and the Administrative Agent shall have received a certificate of a Senior Officer to such effect (and shall promptly forward a copy thereof to each Lender, if requested by such Lender);

(E) the Borrowers shall have delivered to the Administrative Agent (which shall promptly forward copies thereof to each Lender, if requested by such Lender) an unaudited combined pro forma balance sheet of the Borrowers and their Subsidiaries as at the date the Sun City Acquisition is consummated after giving effect to the Sun City Acquisition and the Loans hereunder to be outstanding on such date (subject, however, to asset value adjustments based on subsequent appraisals), in form and providing such details as are reasonably satisfactory to the Administrative Agent, together with a certificate of a Senior Officer stating that said balance sheet fairly presents the pro forma financial condition of the Borrowers and their Subsidiaries as at such date in accordance with GAAP, after giving effect to the Sun City Acquisition and the Loans hereunder to be outstanding on such date;

(F) after giving effect to the Sun City Acquisition, based on the three-month period ended on the last day of the calendar month immediately preceding the consummation of the Sun City Acquisition, the product of (i) such Adjusted System Cash Flow times (ii) four is at least equal to $12,100,000, and the Administrative Agent has received a certificate of a Senior Officer to such effect (and shall promptly forward a copy thereof to each Lender, if requested by such Lender);

(G) the Borrowers shall have delivered to the Administrative Agent 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 the Sun City Acquisition (including, without limitation, the consents of the respective municipal franchising authorities to the acquisition of the respective CATV Systems being acquired by Mediacom California pursuant to the Sun City Acquisition);

(H) the Borrowers shall have delivered to the Administrative Agent evidence that Mediacom California has received net cash consideration (prior to the payment of any transaction expenses) of not less than $3,500,000 representing (i) an equity contribution by Mediacom to Mediacom California or (ii) proceeds of the issuance of Affiliate Subordinated Indebtedness by Mediacom California; and

(I) the Administrative Agent shall have received one or more Deeds of Trust covering any material fee or leasehold property of Mediacom California acquired pursuant to the Sun City Acquisition, duly executed and delivered by Mediacom California and to the extent necessary under applicable law, for filing in the appropriate county land office(s), Uniform Commercial Code financing statements covering fixtures relating to the Property covered by such Deeds of Trust, in each case appropriately completed and duly executed and the Borrowers shall have paid an amount equal to any recording and stamp taxes payable in connection with recording any such Deeds of Trust.

(iv) Subsequent Acquisitions. Any 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) 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, the 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;

(B) 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;

(C) the Company shall deliver to the Administrative Agent (which shall promptly forward copies thereof to each Lender (1) no later than five Business Days prior to the consummation of each such acquisition (or such earlier date as shall be 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 or the Majority Lenders shall have requested;

(D) the Administrative Agent shall have received (and shall promptly forward copies thereof to each Lender, if requested by such Lender) 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;

(E) the Borrowers shall have delivered to the Administrative Agent 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));

(F) 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);

(G) the Administrative Agent shall have received one or more Deeds of Trust covering any material fee or leasehold property of the Borrowers acquired pursuant to such acquisition, duly executed and delivered by such Borrower and to the extent necessary under applicable law, for filing in the appropriate county land office(s), Uniform Commercial Code financing statements covering fixtures relating to the Property covered by such Deeds of Trust, in each case appropriately completed and duly executed and the Borrowers shall have paid an amount equal to any recording and stamp taxes payable in connection with recording any such Deeds of Trust;

(H) to the extent applicable, the Company shall have complied with the provisions of Section 8.18 hereof, including, without limitation, to the extent not theretofore delivered, delivery to the Administrative Agent of (x) 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 8.18 hereof;

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

(J) such acquisition shall have been approved by the Majority Lenders and the Administrative Agent; and

(K) the Borrowers shall deliver such other documents and shall have taken such other action as the Majority Lenders or the Administrative Agent may request (which may include evidence that a particular Borrower shall have received an equity contribution from Mediacom or the proceeds of the issuance of

Affiliate Subordinated Indebtedness pursuant to documentation and in amounts in form and substance satisfactory to the Majority Lenders and the Administrative Agent); and

(v) Other Acquisitions. Any Borrower may acquire any business or Property from, or capital stock of, or be a party to any acquisition of, any Person (in addition to the Spring 1997 Acquisitions and any Subsequent Acquisitions), so long as the aggregate amount paid by the Borrowers in respect of all such acquisitions (other than the Spring 1997 Acquisitions and any Subsequent Acquisitions) after the date hereof shall not exceed $1,000,000.

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;

(b) Liens in existence on the date hereof and listed in Part B of Schedule I hereto;

(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 respective Borrower 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 Borrower 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(e) 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).

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;

(b) Indebtedness outstanding on the date hereof and listed in Part A of Schedule I hereto;

(c) the following Indebtedness: (x) Affiliate Subordinated Indebtedness incurred in accordance with Section 8.14 hereof and (y) the Booth Subordinated Indebtedness;

(d) Indebtedness of the Borrowers and their Subsidiaries to the Borrowers and their Subsidiaries; and

(e) 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 $1,000,000 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 $1,250,000 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. None of the Borrowers will, nor will it permit any of its Subsidiaries to, make or permit to remain outstanding any Investments except:

(a) Investments outstanding on the date hereof and identified in Schedule II hereto;

(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; provided that, without limiting the obligation of the Borrowers under Section 8.13 hereof, when entering into any Interest Rate Protection Agreement that at the time has, or at any time in the future may give rise to, any credit exposure, the aggregate credit exposure under all Interest Rate Protection Agreements (including the Interest Rate Protection Agreement being entered into) shall not exceed $2,500,000; and

(f) 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 $1,000,000.

Without limiting the generality of the forgoing, the Borrowers will not create, or make any Investment in, any Subsidiary after the date hereof without the prior written consent of the Majority Lenders.

8.09 Restricted Payments. None of the Borrowers will 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 to its members on or after April 12 of each fiscal year (the "current year") in an amount equal to the Tax Payment Amount for the immediately preceding fiscal year (the "prior year"), 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 from the Borrowers' independent certified public accountants setting forth a detailed calculation of the Tax Payment Amount for the prior year and showing the amount of such Restricted Payment and all prior Restricted Payments;

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

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

(d) the Borrowers may make payments in respect of the principal of Affiliate Subordinated Indebtedness constituting Supplemental Capital or Cure Monies, so long as

(i) in the case of any such payment in respect of the principal of Affiliate Subordinated Indebtedness constituting Cure Monies, at least one complete fiscal quarter shall have elapsed subsequent to the last date upon which the Borrowers shall have utilized its 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 shall be deemed to be made first from Cure Monies and second from Supplemental Capital);

(ii) after giving effect to the payment of such principal, the Borrowers would (as at the last day of the most recent fiscal quarter) have been in compliance on a pro forma basis with Section 8.10 hereof and the Senior Leverage Ratio calculated on a pro forma basis is at the time less than 5.50 to 1 (or, if lower, the applicable requirement at the time under Section 8.10(a) hereof), the determination of such compliance and such Senior Leverage Ratio to be determined as if (x) for purposes of calculating the Senior Leverage Ratio and the Total Leverage Ratio, the amount of such payment were added to Indebtedness, and (y) for purposes of calculating the Interest Coverage Ratio and Fixed Charges Coverage Ratio, the amount of such payment (and any Cure Monies received during the period for which the Interest Coverage Ratio or Fixed Charge 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 were recalculated to take into account such additional principal; and

(iii) at least three Business Days prior to the date of any such payment, the Borrowers shall have delivered to the Lenders a certificate of a Senior Officer setting forth calculations, in form and detail satisfactory to the Majority Lenders, demonstrating compliance with the requirements of this paragraph (c) after giving effect to such payment.

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

Period	Senior Leverage Ratio	Total Leverage Ratio
From the Effective Date through September 29, 1997	6.25 to 1	6.50 to 1
From September 30, 1997 through June 29, 1998	6.00 to 1	6.50 to 1
From June 30, 1998 through September 29, 1998	5.90 to 1	6.40 to 1
From September 30, 1998 through March 30, 1999	5.75 to 1	6.25 to 1
From March 31, 1999 through September 29, 1999	5.50 to 1	6.00 to 1
From September 30, 1999 through June 29, 2000	5.00 to 1	5.50 to 1
From June 30, 2000 through June 29, 2001	4.50 to 1	5.00 to 1
From June 30, 2001 through June 29, 2002	3.50 to 1	4.00 to 1
From June 30, 2002 and at all times thereafter	3.00 to 1	4.00 to 1

(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 Effective Date through September 29, 1998	1.50 to 1
From September 30, 1998 through June 29, 1999	1.60 to 1
From June 30, 1999 through March 30, 2000	1.75 to 1
From March 31, 2000 and at all times thereafter	2.00 to 1

(c) Fixed Charge Coverage Ratio. The Borrowers will not permit the Fixed Charge Coverage Ratio to be less than 1.05 to 1 at any time on or after December 31, 1997.

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 5% 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 5% 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. For purposes of this Section 8.11 "Gross Operating Revenue" shall mean the aggregate gross operating revenues derived by the

Borrowers from its CATV Systems, from RidgeNet and from other telecommunications services 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.

Neither 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 neither the Borrowers nor any of their 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.

Neither 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) who is employed solely in connection with the day-to-day operations of a CATV System.

8.12 Capital Expenditures. The Borrowers will not permit the aggregate amount of Capital Expenditures to exceed (i) $14,500,000 for the period from and including the Effective Date through December 31, 1998, (ii) $4,000,000 for the fiscal year ending on December 31, 1999 and (iii) $3,500,000 for each fiscal year commencing after December 31, 1999. If the aggregate amount of Capital Expenditures shall be less than $14,500,000 for the period from and including the Effective Date through December 31, 1998, then the shortfall shall be added to the amount of Capital Expenditures permitted for the fiscal year ending on December 31, 1999 so long as the upgrades and rebuilds with respect to the Spring 1997 Acquisitions have not been completed.

8.13 Interest Rate Protection Agreements. The Borrowers will within 90 days of the Effective Date, enter into, and thereafter maintain in full force and effect, one or more Interest Rate Protection Agreements with one or more of the Lenders (and/or with a bank or other financial institution having capital, surplus and undivided profits of at least $500,000,000), that effectively enables the Borrowers (in a manner satisfactory to the Majority Lenders) to protect itself, in a manner and on terms reasonably satisfactory to the Majority Lenders, against adverse fluctuations in the three-month London interbank offered rates as to a notional principal amount at least equal to 50% of the aggregate outstanding principal amount of the Loans.

8.14 Affiliate Subordinated Indebtedness.

(a) The Borrowers may at any time after the date hereof incur Affiliate Subordinated Indebtedness to Mediacom or one or more other Affiliates, so long as the proceeds of any such Affiliate Subordinated Indebtedness constituting Cure Monies are immediately applied to the reduction of the Revolving Credit Commitments and the prepayment of principal of the Term Loans hereunder, applied ratably to the Revolving Credit Commitments and Term Loans of each Class in accordance with the respective then-outstanding aggregate amounts of such Commitments and Loans (and to the simultaneous prepayment of the Revolving Credit Loans in an amount equal to such required reduction of Revolving Credit Commitments), provided that to the extent any such required prepayment of Revolving Credit Loans shall exceed the then-outstanding aggregate principal amount of Revolving Credit Loans, such excess shall be applied to the prepayment of Term Loans.

(b) The Borrowers will not, nor will it 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 or the Booth Subordinated Indebtedness, except (in the case of Affiliate Subordinated Indebtedness) to the extent permitted under Section 8.09 hereof.

8.15 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.

8.16 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(f), provided that, the monetary or business consideration arising therefrom would be substantially as advantageous to the Borrowers and their 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 member of any Borrower or any of its Subsidiaries in respect of income of such 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) the Borrowers and their Subsidiaries may enter into transactions (other than extensions of credit by the Borrowers or any of their 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 if the monetary or business consideration arising therefrom would be substantially as advantageous to the Borrowers and their 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,

(iv) the Borrowers and their Subsidiaries may reimburse the Manager for up to $100,000 of Manager Expenses during any fiscal year and

(v) the Borrowers and their Subsidiaries may pay to the Manager the aggregate amount of intercompany shared expenses payable to Mediacom that are allocated by Mediacom to the Borrowers and their Subsidiaries in accordance with Section 5.05 of the Guarantee and Pledge Agreement.

8.17 Use of Proceeds. The Borrowers will use the proceeds of the Loans hereunder solely to (i) provide financing for Acquisitions and to pay the fees and expenses related thereto, (ii) make Restricted Payments, (iii) pay Management Fees and Manager Expenses, (iv) make Investments permitted under Section 8.08 hereof and (v) finance capital expenditures and working capital needs of the Borrowers and their Subsidiaries and acquisitions permitted hereunder (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.

8.18 Certain Obligations Respecting Subsidiaries.

(a) Subsidiary Guarantors. In the event that the Borrowers or any of their Subsidiaries shall form or acquire any Subsidiary after the Effective Date (after obtaining any necessary consent of the Lenders), the Borrowers shall cause, and shall cause their 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 Security 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 Effective Date or as the Administrative Agent shall have reasonably requested.

(b) Ownership of Subsidiaries. The Borrowers will, and will cause each of their 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, the respective Borrower agrees forthwith to deliver to the Administrative Agent pursuant to the Security 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 Security Agreement.

(c) Further Assurances. The Borrowers will, and will cause each of their Subsidiaries to, take such action from time to time (including filing appropriate Uniform Commercial Code financing statements and executing and delivering such assignments, security agreements, Deeds of Trust 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 substantially all of the personal Property, and all of the material fee and leasehold property, of the Borrowers and each of their Subsidiaries.

(d) Certain Restrictions. The Borrowers will not permit any of their Subsidiaries to enter into, after the date hereof, any indenture, agreement, instrument or other arrangement that, directly or indirectly, prohibits or restrains, or has the effect of prohibiting or restraining, or imposes materially adverse conditions upon, the incurrence or payment of Indebtedness, the granting of Liens, the declaration or payment of dividends, the making of loans, advances or Investments or the sale, assignment, transfer or other disposition of Property.

8.19 Modifications of Certain Documents.

None of the Borrowers will consent to any modification, supplement or waiver of any of the provisions of the Management Agreements, any

Acquisition Agreement, or any agreement, instrument or other document evidencing or relating to Affiliate Subordinated Indebtedness or the Booth Subordinated Indebtedness 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) Any Borrower 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, any fee or any other amount payable by them hereunder or under any other Loan Document; or

(b) Mediacom, 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 $500,000 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 the Borrowers shall default in the payment when due of any amount aggregating $500,000 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 $500,000 or more to become due; 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 Borrower, or any certificate furnished to any Lender or the Administrative Agent 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 any representation or warranty made or deemed made in any Acquisition Agreement by the respective seller(s) thereunder, shall prove to have been false or misleading as of the time made or furnished in any material respect (except to the extent fully covered by amounts held on deposit pursuant to the respective escrow agreements under the relevant Acquisition Agreement); 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, 8.14, 8.16, 8.18 or 8.19 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 $600,000 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 $5,000,000 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 their 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) Any one or more of the following events shall occur and be continuing:

(i) Rocco Commisso shall cease to be Chairman and Chief Executive Officer of the Manager;

(ii) Mediacom Management Corporation shall cease to act as Manager of the Borrowers;

(iii) the Parent Guarantors and Mediacom California shall cease to own 100% of the aggregate ownership interests in each Borrower;

(iv) any person or group (within the meaning of Rule 13d-5 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and Section 13(d) and 14(d) of the Exchange Act (other than a Commisso Entity, or any entity controlled by or under common control with Chase Manhattan Capital Corporation or Booth American Company becomes, directly or indirectly, in a single transaction or in a related series of transactions by way of merger, consolidation or other business combination or otherwise, the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act) of more than 25% of the capital stock of any Borrower on a fully-diluted basis (in other words, giving effect to the exercise of any warrants, options and conversion and other rights); or

(v) the Commisso Entities shall sell, transfer, pledge or otherwise dispose of more than 20% of the aggregate equity interests in Mediacom held by them on the Effective Date (after giving effect to the transactions contemplated hereunder to occur on the Effective Date); or

(m) Except for Franchises that cover fewer than 5% of the 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 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 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 Borrower; or

(o) The Operating Agreements, or the Amended and Restated Operating Agreement dated as of March 12, 1996 with respect to Mediacom, shall be modified 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; or

(p) A material adverse change shall have occurred subsequent to the date hereof in the proceedings of the federal Defense Base Closure Commission with respect to the China Lake Naval Base;

THEREUPON: (1) in the case of an Event of Default other than one referred to in clause (f) or (g) of this Section 9 with respect to the Borrowers, 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 and all other amounts payable by the Borrowers hereunder and under the Notes (including, without limitation, any amounts payable under Section 5.05 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 with respect to the Borrowers, the Commitments shall automatically be terminated and the principal amount then outstanding of, and the accrued interest on, the Loans and all other amounts payable by the Borrowers hereunder and under the Notes (including, without limitation, any amounts payable under Section 5.05 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.

9.02 Certain Cure Rights.

(a) 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 (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 8.14(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 Senior Leverage Ratio or Total Leverage 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 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) 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 (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 8.14(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 Fixed Charge 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 Fixed Charge 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, any Note 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 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. The Administrative Agent may deem and treat the payee (or Registered Holder, as the case may be) of a Note as the holder thereof for all purposes hereof unless and until a notice of the assignment or transfer thereof shall have been filed with the Administrative Agent.

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 Revolving Credit Lenders, the Majority Term A Lenders, the Majority Term B Lenders 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 Revolving Credit Lenders, the Majority Term A Lenders or the Majority Term B Lenders, 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, the Majority Revolving Credit Lenders, the Majority Term A Lenders, the Majority Term B Lenders or all of the Lenders.

10.04 Rights as a Lender.

With respect to its Commitments and the Loans made by it, Chase (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. Chase (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 Chase (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 held by the Lenders (or, if no Loans 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 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 $500,000,000. 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 any collateral or otherwise terminate any Lien under any Security Document providing for collateral security, or agree to additional obligations being secured by such collateral security (unless the Lien for such additional obligations shall be junior to the Lien in favor of the other obligations secured by such Security Document, in which event the Administrative Agent may consent to such junior Lien provided that it obtains the consent of the Majority Lenders thereto), alter the relative priorities of the obligations entitled to the benefits of the Liens created under the Security Documents or release any guarantor under any Security Document from its guarantee obligations thereunder, 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 such 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 Documentation Agent.

The Documentation Agent shall not have any rights or obligations under this Agreement except in its capacity as a "Lender" 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 or any Note shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under this Agreement or any Note 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, the Administrative Agent and the Documentation Agent at 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, provided that notwithstanding the foregoing, all notices to any Borrower by the Administrative Agent or any Lender may be given to Mediacom California, and the Administrative Agent and each Lender is authorized to rely on any notice (including notices of borrowing) given by Mediacom California with respect to matters relating to any Borrower (and shall not be required to receive a notice from Mediacom Delaware or Mediacom Arizona). 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, special New York counsel to Chase) in connection with (i) the negotiation, preparation, execution and delivery of this Agreement and the other Loan Documents and the making of the Loans 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 and each Lender and their respective directors, officers, employees, attorneys and agents 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 Loans hereunder or any actual or proposed use by the Borrowers or any of their Subsidiaries of the proceeds of any of the Loans 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). Without limiting the generality of the foregoing, the Borrowers will indemnify the Administrative Agent and each Lender from, and hold the Administrative Agent and each Lender harmless against, any losses, liabilities, claims, damages or expenses described in the preceding sentence (including any Lien filed against the Property covered by the Deeds of Trust or any part of the Trust Estate thereunder in favor of any governmental entity, but excluding, as provided in the preceding sentence, any loss, liability, claim, damage or expense incurred by reason of the gross negligence or willful misconduct of the Person to be indemnified) arising under any Environmental Law as a result of the past, present or future operations of the Borrowers or any of their Subsidiaries (or any predecessor in interest to the Borrowers or any of their Subsidiaries), or the past, present or future condition of any site or facility owned, operated or leased at any time by the Borrowers or any of their Subsidiaries (or any such predecessor in interest), or any Release or threatened Release of any Hazardous Materials at or from any such site or facility, excluding any such Release or threatened Release that shall occur during any period when the Administrative Agent or any Lender shall be in possession of any such site or facility following the exercise by the Administrative Agent or any Lender of any of its rights and remedies hereunder or under any of the Security Documents, but including any such Release or threatened Release occurring during such period that is a continuation of conditions previously in existence, or of practices employed by the Borrowers and their Subsidiaries, at such site or facility.

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 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, unless by an instrument signed by all of the Lenders or by the Administrative Agent acting with the consent of all of the Lenders: (i) increase, or extend the term of any of the Commitments, or extend the time or waive any requirement for the reduction or termination of any of the Commitments, (ii) extend the date fixed for the payment of principal of or interest on any Loan or any fee hereunder, (iii) reduce the amount of any such payment of principal, (iv) reduce the rate at which interest is payable thereon or any fee is payable hereunder, (v) alter the rights or obligations of the Borrowers to prepay Loans, (vi) alter the manner in which payments or prepayments of principal, interest or other amounts hereunder shall be applied as between the Lenders or Types or Classes of Loans, (vii) alter the terms of this Section 11.04, (viii) modify the definition of the term "Majority Lenders", "Majority Revolving Credit Lenders", "Majority Term A Lenders" or "Majority Term B 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, or (ix) waive any of the conditions precedent set forth in Section 6.01 hereof; and (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 Revolving Credit Loan shall be effective against the Revolving Credit Lenders for the purposes of the Revolving Credit Commitments unless the Majority Revolving Credit Lenders 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) None of the Borrowers may assign any of its rights or obligations hereunder or under the Notes without the prior consent of all of the Lenders and the Administrative Agent.

(b) Each Lender may assign any of its Loans, its Notes, and its Commitments (but only with the consent of, in the case of its outstanding Commitments, the Borrowers and the Administrative Agent, which consents shall not be unreasonably withheld or delayed); provided that

(i) no such consent by the Borrowers or the Administrative Agent shall be required in the case of any assignment to another Lender or an affiliate of a Lender;

(ii) except to the extent the Borrowers and the Administrative Agent shall otherwise consent, any such partial assignment (other than to another Lender) shall be in an amount at least equal to $5,000,000;

(iii) each such assignment by a Lender of its Revolving Credit Loans, Revolving Credit Note or Revolving Credit Commitment shall be made in such manner so that the same portion of its Revolving Credit Loans, Revolving Credit

Note and Revolving Credit Commitment is assigned to the respective assignee;

(iv) each such assignment by a Lender of its Term A Loans or Term A Commitment shall be made in such manner so that the same portion of its Term A Loans and Term A Commitment is assigned to the respective assignee;

(v) each such assignment by a Lender of its Term B Loans or Term B Commitment shall be made in such manner so that the same portion of its Term B Loans and Term B Commitment is assigned to the respective assignee; and

(vi) upon each such assignment, the assignor and assignee shall deliver to the Borrowers and the Administrative Agent an Assignment and Acceptance in the form of Exhibit J hereto.

Upon execution and delivery by the assignor and the assignee to the Borrowers and the Administrative Agent of such Assignment and Acceptance, and upon consent thereto by the Borrowers and the Administrative Agent to the extent required above, the assignee shall have, to the extent of such assignment (unless otherwise consented to by the Borrowers and the Administrative Agent), the obligations, rights and benefits of a Lender hereunder holding the Commitment(s) and Loans (or portions thereof) assigned to it and specified in such Assignment and Acceptance (in addition to the Commitment(s) and Loans, if any, theretofore held by such assignee) and the assigning Lender shall, to the extent of such assignment, be released from the Commitment(s) (or portion(s) thereof) so assigned. Upon each such assignment the assigning Lender shall pay the Administrative Agent an assignment fee of $3,000.

(c) A Lender may sell or agree to sell to one or more other Persons (each a "Participant") a participation in all or any part of any Loans held by it, or in its Commitments, provided that (i) such Participant shall not have any rights or obligations under this Agreement or any Note or any other Loan Document (the Participant's rights against such Lender in respect of such participation to be those set forth in the agreements executed by such Lender in favor of the Participant) and (ii) such Lender shall promptly notify the Borrowers of the sale of such participation. All amounts payable by the Borrowers to any Lender under Section 5 hereof in respect of Loans held by it, and its Commitments, shall be determined as if such Lender had not sold or agreed to sell any participations in such Loans and Commitments, and as if such Lender were funding each of such Loan and Commitments in the same way that it is funding the portion of such Loan and Commitments in which no participations have been sold. In no event shall a Lender that sells a participation agree with the Participant to take or refrain from taking any action hereunder or under any other Loan Document except that such Lender may agree with the Participant that it will not, without the consent of the Participant, agree to (i) increase or extend the term of such Lender's related Commitment or extend the amount or date of any scheduled reduction of such Commitment pursuant to Section 2.03 hereof, (ii) extend the date fixed for the payment of principal of or interest on the related Loan or Loans or any portion of any fee hereunder payable to the Participant, (iii) reduce the amount of any such payment of principal, (iv) reduce the rate at which interest is payable thereon, or any fee hereunder payable to the Participant, to a level below the rate at which the Participant is entitled to receive such interest or fee or (v) consent to any modification, supplement or waiver hereof or of any of the other Loan Documents to the extent that the same, under Section 10.09 or Section 11.04 hereof, requires the consent of each Lender.

(d) In addition to the assignments and participations permitted under the foregoing provisions of this Section 11.06, any Lender may (without notice to the Borrowers, the Administrative Agent or any other Lender and without payment of any fee) (i) assign and pledge all or any portion of its Loans and its Notes to any Federal Reserve Bank as collateral security pursuant to Regulation A and any Operating Circular issued by such Federal Reserve Lender and (ii) assign all or any portion of its rights under this Agreement and its Loans and its Notes to an affiliate. No such assignment shall release the assigning Lender from its obligations hereunder.

(e) 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.

(f) Anything in this Section 11.06 to the contrary notwithstanding, no Lender may assign or participate any interest in any Loan held by it hereunder to the Borrowers or any of their Affiliates or Subsidiaries without the prior consent of each Lender.

(g) At the request of any Lender that is not a U.S. Person and is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, the Borrowers shall maintain, or cause to be maintained, a register (the "Register") that, at the request of the Borrowers, shall be kept by the Administrative Agent on behalf of the Borrowers at no charge to the Borrowers at the address to which notices to the Administrative Agent are to be sent hereunder, on which it enters the name of such Lender as the registered owner of each Registered Loan held by such Lender. A Registered Loan (and the Registered Note, if any, evidencing the same) may be assigned or otherwise transferred in whole or in part by registration of such assignment or transfer on the Register (and each Registered Note shall expressly so provide). Any assignment or transfer of all or part of such Loan (and the Registered Note, if any, evidencing the same) may be effected by registration of such assignment or transfer on the Register, together with the surrender of the Registered Note, if any, evidencing the same duly endorsed by (or accompanied by a written instrument of assignment or transfer duly executed by) the holder of such Registered Note, whereupon, at the request of the designated assignee(s) or transferee(s), one or more new Registered Notes in the same aggregate principal amount shall be issued to the designated assignee(s) or transferee(s). Prior to the registration of assignment or transfer of any Registered Loan (and the Registered Note, if any, evidencing the same), the Borrowers shall treat the Person in whose name such Loan (and the Registered Note, if any, evidencing the same) is registered as the owner thereof for the purpose of receiving all payments thereon and for all other purposes, notwithstanding notice to the contrary.

(h) The Register shall be available for inspection by the Borrowers and any Lender that is a Registered Holder at any reasonable time upon reasonable prior notice.

11.07 Survival.

The obligations of the Borrowers under Sections 5.01, 5.05, 5.06 and 11.03 hereof, and the obligations of the Lenders under Section 10.05 hereof, shall survive the repayment of the Loans and the termination of the Commitments and, in the case of any Lender that may assign any interest in its Commitments or Loans 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 Loan, 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 Loan, 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 Loan 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 and the Notes 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.

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, THE NOTES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

11.12 Treatment of Certain Information; Confidentiality.

(a) 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 the termination of the Commitments.

(b) 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, 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 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 Chase 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 or (viii) to any assignee or participant (or prospective assignee or participant) so 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 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.

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.

MEDIACOM CALIFORNIA LLC

By MEDIACOM LLC, a Member

By__________________________________
Title: Manager

Address for Notices:

Mediacom California LLC
c/o Mediacom LLC
90 Crystal Run Road
Suite 406A
Middletown, New York 10940

Attention: Rocco B. Commisso

Telecopier No.: (914) 695-2699

Telephone No.: (914) 695-2600

MEDIACOM DELAWARE LLC

By MEDIACOM LLC, a Member

By__________________________________
Title: Manager

MEDIACOM ARIZONA LLC

By MEDIACOM LLC, a Member

By__________________________________
Title: Manager

Lenders

Revolving Credit Commitment $8,000,000	THE CHASE MANHATTAN BANK
Term A Commitment $10,000,000	By______________________________ Title:
Term B Commitment $2,000,000	
Revolving Credit Commitment $8,000,000	FIRST UNION NATIONAL BANK
Term A Commitment $10,000,000	By______________________________ Title:
Term B Commitment $2,000,000	
Revolving Credit Commitment $6,000,000	FIRST NATIONAL BANK OF CHICAGO
Term A Commitment $7,500,000	By______________________________ Title:
Term B Commitment $1,500,000	
Revolving Credit Commitment $6,000,000	MELLON BANK, N.A.
Term A Commitment $7,500,000	By______________________________ Title:
Term B Commitment	

$1,500,000

Revolving Credit Commitment   CIBC, INC.
- ---------------------------
$6,000,000

Term A Commitment   By_________________________________
- -----------------
$7,500,000   Title:

Term B Commitment
- -----------------
$1,500,000

Revolving Credit Commitment   BANK OF MONTREAL
- ---------------------------
$6,000,000

Term A Commitment   By_________________________________
- -----------------
$7,500,000   Title:

Term B Commitment
- -----------------
$1,500,000

THE CHASE MANHATTAN BANK,
as Administrative Agent

By___________________________________
Title:

Address for Notices to
Chase as Administrative Agent:

The Chase Manhattan Bank
Agent Bank Services
1 Chase Manhattan Plaza
New York, New York 10081

Telecopier No.: (212) 552-5700

Telephone No.: (212) 552-7440

FIRST UNION NATIONAL BANK,
as Documentation Agent

By________________________________
Title:

Address for Notices to
First Union National Bank as
Documentation Agent:

First Union National Bank
Specialized Industries/
Communications Group
One First Union Center, DC5
Charlotte, North Carolina 28288-0735

Attention: Mark Misenheimer
Vice President

Telecopier No.: (704) 374-4092

Telephone No.: (704) 374-6659

SCHEDULE I

Material Agreements and Liens

[See Sections 7.11, 8.06(b) and 8.07(b)]

Part A - Material Agreements

Mediacom California LLC

San Bernardino County, California - $18,500 performance bond

Kern County, California - (i) $25,000 performance bond and (ii) $10,000 performance bond

Ridgecrest, California - $15,000 performance bond

Contel of California - (1) $110,000 pole attachment bond and (ii) $136,700 pole attachment bond

Booth Subordinated Indebtedness

San Diego County, California - $5,000 performance bond

San Diego Gas & Electric of California - $10,000 pole attachment bond

MEDIACOM ARIZONA LLC

Pima County, Arizona - $100,000 performance bond

Booth Subordinated Indebtedness

MEDIACOM DELAWARE LLC

Bethany Beach, Delaware - $10,000 performance bond

Delaware Public Service Commission - $10,000 performance bond

Pittsville, Maryland - $10,000 performance bond

Willards, Maryland - $10,000 performance bond

Wicomico County, Maryland - $10,000 franchise bond

Bell Atlantic - $10,000 pole attachment bond

Booth Subordinated Indebtedness

EXHIBIT 10.5(b)

[EXECUTION COUNTERPART]

AMENDMENT NO. 1

AMENDMENT NO. 1 dated as of January 13, 1998, between 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"), MEDIACOM ARIZONA LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware ("Mediacom Arizona" and, together with Mediacom California and Mediacom Delaware, the "Borrowers"); each of the banks that is a signatory hereto (individually, a "Lender" and, collectively, the "Lenders"); THE CHASE MANHATTAN BANK, as administrative agent for the Lenders (in such capacity, together with its successors in such capacity, the "Administrative Agent"); and FIRST UNION NATIONAL BANK, as documentation agent (in such capacity, the "Documentation Agent").

The Borrowers, the Lenders, the Administrative Agent and the Documentation Agent are parties to a Second Amended and Restated Credit Agreement dated as of June 24, 1997 (as heretofore modified and supplemented and in effect on the date hereof, the "Credit Agreement"), providing, subject to the terms and conditions thereof, for extensions of credit to be made by said Lenders to the Borrowers. The parties wish to amend the Credit Agreement in certain respects, and accordingly, the parties hereto hereby agree as follows:

Section 1. Definitions. Except as otherwise defined in this Amendment No. 1, terms defined in the Credit Agreement are used herein as defined therein.

Section 2. Amendments. Upon the execution and delivery of this Amendment No. 1 by the Borrowers and Majority Lenders, but effective as of the date hereof, the Credit Agreement shall be amended as follows:

2.01. References in the Credit Agreement (including references to the Credit Agreement as amended hereby) to "this Agreement" (and indirect references such as "hereunder", "hereby", "herein" and "hereof") shall be deemed to be references to the Credit Agreement as amended hereby.

2.02. Section 9.01(b) of the Credit Agreement is hereby amended to read in its entirety as follows:

"(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 $500,000 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 the Borrowers shall default in the payment when due of any amount aggregating $500,000 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 $500,000 or more to become due; or"

Section 3. Miscellaneous. Except as herein provided, the Credit Agreement shall remain unchanged and in full force and effect. This Amendment No. 1 may be executed in any number of counterparts, all of which taken together shall constitute one and the same amendatory instrument and any of the parties hereto may execute this Amendment No. 1 by signing any such counterpart. This Amendment No. 1 shall be governed by, and construed in accordance with, the law of the State of New York.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 1 to be duly executed and delivered as of the day and year first above written.

MEDIACOM CALIFORNIA LLC

By MEDIACOM LLC, a Member

By________________________________
 Title: Manager

MEDIACOM DELAWARE LLC

By MEDIACOM LLC, a Member

By________________________________
 Title: Manager

MEDIACOM ARIZONA LLC

By MEDIACOM LLC, a Member

By________________________________
 Title: Manager

THE CHASE MANHATTAN BANK,
individually and as
Administrative Agent

By_______________________________
 Title:

FIRST UNION NATIONAL BANK,
individually and as
Documentation Agent

By_________________________________
Title:

FIRST NATIONAL BANK OF CHICAGO

By_________________________________
Title:

MELLON BANK, N.A.

By_________________________________
Title:

CIBC INC.

By_________________________________
Title:

BANK OF MONTREAL

By_________________________________
Title:

EXHIBIT 10.5(c)

[EXECUTION COUNTERPART]

AMENDMENT NO. 2 TO
SECOND AMENDED AND RESTATED CREDIT AGREEMENT

AMENDMENT NO. 2 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT dated as of March 24, 1998, between between MEDIACOM CALIFORNIA LLC, a Delaware limited liability company ("Mediacom California"); MEDIACOM DELAWARE LLC, a Delaware limited liability company ("Mediacom Delaware"); MEDIACOM ARIZONA LLC, a Delaware limited liability company ("Mediacom Arizona" and, together with Mediacom California and Mediacom Delaware, the "Borrowers"); each of the lenders that is a signatory hereto identified under the caption "LENDERS" on the signature pages hereto (each, individually, a "Lender" and, collectively, the "Lenders"); THE CHASE MANHATTAN BANK, as administrative agent for the Lenders (in such capacity, the "Administrative Agent"); and FIRST UNION NATIONAL BANK, as documentation agent (in such capacity, the "Documentation Agent").

The Borrowers, the Lenders, the Administrative Agent and the Documentation Agent are party to a Second Amended and Restated Credit Agreement dated as of June 24, 1997 (as heretofore modified and supplemented and in effect on the date hereof, the "Credit Agreement"), providing, subject to the terms and conditions thereof, for loans in an aggregate principal amount up to but not exceeding $100,000,000. The Borrowers, the Lenders, the Administrative Agent and the Documentation Agent wish to increase the Revolving Credit Commitments thereunder from $40,000,000 to $70,000,000, redesignate a portion of the outstanding Term A Loans and all of the outstanding Term B Loans as Revolving Credit Loans and amend the Credit Agreement in certain other respects, and accordingly, the parties hereto hereby agree as follows:

Section 1. Definitions. Except as otherwise defined in this Amendment No. 2, terms defined in the Credit Agreement are used herein as defined therein.

Section 2. Amendments. Subject to the satisfaction of the conditions precedent specified in Section 4 below, but effective as of the date hereof, the Credit Agreement shall be amended as follows:

2.01. References in the Credit Agreement (including references to the Credit Agreement as amended hereby) to "this Agreement" (and indirect references such as "hereunder", "hereby", "herein" and "hereof") shall be deemed to be references to the Credit Agreement as amended hereby.

2.02. Section 1.01 of the Credit Agreement shall be amended by adding the following new definitions (to the extent not already included in said Section 1.01) and inserting the same in the appropriate alphabetical locations and amending in their entirety the following definitions (to the extent already included in said Section 1.01), as follows:

> "Amendment No. 2" shall mean Amendment No. 2 hereto dated as of March 24, 1998 between the Borrowers, the Lenders, the Administrative Agent and the Documentation Agent.

> "Amendment No. 2 Effective Date" shall mean the date upon which the amendments provided for in Section 2 of Amendment No. 2 hereto shall become effective.

> "Revolving Credit Commitment" shall mean, as to each Revolving Credit Lender, the obligation of such Lender to make Revolving Credit Loans in an aggregate principal amount at any one time outstanding up to but not exceeding the amount set forth opposite the name of such Lender on Schedule 1 to Amendment No. 2 or, in the case of a Person that becomes a Revolving Credit Lender pursuant to an assignment permitted under Section 11.06(b) hereof, 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 2.03 or 2.09 hereof, or increased or reduced in connection with any assignment pursuant to Section 11.06(b) hereof). The original aggregate principal amount of the Revolving Credit Commitments (after giving effect to Amendment No. 2) is $70,000,000.

2.03. Section 2.01 of the Credit Agreement is hereby amended by inserting a new paragraph (e) at the end thereof to read as follows:

"(e) Amendment No. 2 Effective Date. On the Amendment No. 2 Effective Date, a portion of the outstanding Term A Loans and all of the Term B Loans shall be redesignated as Revolving Credit Loans hereunder such that, after giving effect to such redesignation, the aggregate principal amount of Term A Loans outstanding under the Credit Agreement shall be equal to $29,950,000 and no Term B Loans shall remain outstanding.

Thereafter, all references in this agreement to "Term B Loans", "Term B Lenders" and the like shall be deemed to be inoperative.

2.04. The schedule set forth in Section 2.03(a) of the Credit Agreement is hereby amended in its entirety to read as follows:

(A) Revolving Credit Commitment Reduction Date Falling on or Nearest to:	(B) Revolving Credit Commitments Reduced by the Following Amounts:	(C) Revolving Credit Commitments Reduced to the Following Amounts:
September 30, 1998	$ 150,000	$69,850,000
December 31, 1998	$ 150,000	$69,700,000
March 31, 1999	$1,100,000	$68,600,000
June 30, 1999	$1,100,000	$67,500,000
September 30, 1999	$1,100,000	$66,400,000
December 31, 1999	$1,100,000	$65,300,000
March 31, 2000	$1,700,000	$63,600,000
June 30, 2000	$1,700,000	$61,900,000
September 30, 2000	$1,700,000	$60,200,000
December 31, 2000	$1,700,000	$58,500,000
March 31, 2001	$2,050,000	$56,450,000
June 30, 2001	$2,050,000	$54,400,000
September 30, 2001	$2,050,000	$52,350,000
December 31, 2001	$2,050,000	$50,300,000
March 31, 2002	$2,400,000	$47,900,000
June 30, 2002	$2,400,000	$45,500,000
September 30, 2002	$2,400,000	$43,100,000
December 31, 2002	$2,400,000	$40,700,000
March 31, 2003	$2,700,000	$38,000,000
June 30, 2003	$2,700,000	$35,300,000
September 30, 2003	$2,700,000	$32,600,000
December 31, 2003	$2,700,000	$29,900,000

March 31, 2004	$3,200,000	$26,700,000
June 30, 2004	$3,200,000	$23,500,000
September 30, 2004	$3,200,000	$20,300,000
December 31, 2004	$3,200,000	$17,100,000
March 31, 2005	$5,650,000	$11,450,000
June 30, 2005	$5,650,000	$ 5,800,000
September 30, 2005	$5,800,000	$ 0

2.05. The schedule set forth in Section 3.01(b) of the Credit Agreement is hereby amended in its entirety to read as follows:

Principal Payment Date	Amount of Installment ($)
September 30, 1998	$ 125,000
December 31, 1998	$ 125,000
March 31, 1999	$ 500,000
June 30, 1999	$ 500,000
September 30, 1999	$ 500,000
December 31, 1999	$ 500,000
March 31, 2000	$ 575,000
June 30, 2000	$ 575,000
September 30, 2000	$ 575,000
December 31, 2000	$ 575,000
March 31, 2001	$ 900,000
June 30, 2001	$ 900,000
September 30, 2001	$ 900,000
December 31, 2001	$ 900,000
March 31, 2002	$1,000,000
June 30, 2002	$1,000,000
September 30, 2002	$1,000,000
December 31, 2002	$1,000,000
March 31, 2003	$1,150,000
June 30, 2003	$1,150,000
September 30, 2003	$1,150,000
December 31, 2003	$1,150,000

March 31, 2004	$1,325,000
June 30, 2004	$1,325,000
September 30, 2004	$1,325,000
December 31, 2004	$1,325,000
March 31, 2005	$2,200,000
June 30, 2005	$2,200,000
September 30, 2005	$3,500,000

Section 2.06. Section 8.18(d) of the Credit Agreement is hereby amended to read in its entirety as follows:

"(d) Certain Restrictions. The Borrowers will not, and will not permit any of their respective 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 any Borrower or any such 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 such Subsidiary under any of the Loan Documents, or in respect of any Interest Rate Protection Agreement, or (b) the ability of any such Subsidiary to pay dividends or other distributions with respect to any shares of its capital stock or to make or repay loans or advances to the Borrowers or any such Subsidiary or to Guarantee Indebtedness of the Borrowers or any such 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 Indebtedness and (iv) clause (a) of the foregoing shall not apply to customary provisions in leases and other contracts restricting the assignment thereof."

Section 3. Representations and Warranties. Each Borrower represents and warrants to the Lenders that the representations and warranties set forth in Section 7 of the Credit Agreement are true and complete on the date as if made on and as of the date hereof and (a) as if each reference in said Section 7 to "this Agreement" and "the Notes" included reference to this Amendment No. 2 and to the New Notes and (b) as if each reference in said Section 7 to "the date hereof" or "the Closing Date" were a reference to the "Amendment No. 2 Effective Date".

Section 4. Conditions Precedent. The effectiveness of the amendments set forth in Section 2 above is subject to: (i) the condition that this Amendment No. 2 shall have been executed and delivered by each Borrower and each Lender (and that the Parent Guarantors shall have executed and delivered their confirmation and consent provided for on the signature pages hereto), in each case on or before April 15, 1998 and (ii) the receipt by the Administrative Agent of the following documents, each of which shall be satisfactory to the Administrative Agent (and to the extent specified below, to each Lender or the Majority Lenders) in form and substance:

(a) New Notes. A new promissory note for each Revolving Credit Lender, delivered by the Borrowers in exchange for the Revolving Credit Note heretofore delivered to such Revolving Credit Lender, in substantially the form of Exhibit A-1 to the Credit Agreement, dated the date of the Revolving Credit Note being exchanged, payable to such Revolving Credit Lender in a principal amount equal to its Revolving Credit Commitment (as increased hereby) and otherwise duly completed. Each such promissory note (a "New Note") shall constitute a "Revolving Credit Note" under the Credit Agreement as amended hereby.

(b) Amendment No. 2 to Guarantee and Pledge Agreement. Amendment No. 2 to Guarantee and Pledge Agreement, executed and delivered by each Parent Guarantor and the Administrative Agent, in substantially the form attached hereto as Exhibit A.

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

Section 5. Confirmation of Security. Each Borrower hereby confirms that the obligations of such Borrower under the Credit Agreement as amended by this Amendment No. 2 shall be entitled to the benefits of the collateral security provided for pursuant to the Security Agreement.

Section 6. Miscellaneous. Except as herein provided, the Credit Agreement shall remain unchanged and in full force and effect. This Amendment No. 2 may be executed in any number of counterparts, all of which taken together shall constitute one and the same amendatory instrument and any of the parties hereto may execute this Amendment No. 2 by signing any such counterpart. This Amendment No. 2 shall be governed by, and construed in accordance with, the law of the State of New York.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 2 to be duly executed and delivered as of the day and year first above written.

MEDIACOM CALIFORNIA LLC

By________________________________
Title:

MEDIACOM DELAWARE LLC

By________________________________
Title:

MEDIACOM ARIZONA LLC

By________________________________
Title:

LENDERS

THE CHASE MANHATTAN BANK

By________________________________
Title:

FIRST UNION NATIONAL BANK

By________________________________

Title:

BANK OF MONTREAL

By________________________________
Title:

CIBC INC.

By________________________________
Title:

THE FIRST NATIONAL BANK OF CHICAGO

By________________________________
Title:

MELLON BANK, N.A.

By________________________________
Title:

ADMINISTRATIVE AGENT

THE CHASE MANHATTAN BANK, as
Administrative Agent

By________________________________

Title:

DOCUMENTATION AGENT

FIRST UNION NATIONAL BANK, as
Documentation Agent

By________________________________
Title:

By________________________________
Title:

By their signatures below, each of the undersigned Parent Guarantors under the above-referenced Credit Agreement hereby consents to the foregoing Amendment No. 2 and confirms that the obligations of the Borrowers under said Credit Agreement as amended by said Amendment No. 2 shall constitute "Guaranteed Obligations" under the Guarantee and Pledge Agreement under and as defined in said Credit Agreement for all purposes of said Guarantee and Pledge Agreement.

MEDIACOM LLC

By______________________
Rocco B. Commisso, as Manager

MEDIACOM MANAGEMENT CORPORATION

By______________________
Title:

SCHEDULE 1
to Amendment No. 2

Revolving Credit Commitments

Lender	Revolving Credit Commitment
The Chase Manhattan Bank	$14,000,000
First Union National Bank	$14,000,000
Bank of Montreal	$10,500,000
CIBC Inc.	$10,500,000
The First National Bank of Chicago	$10,500,000
Mellon Bank, N.A.	$10,500,000

EXHIBIT A
to Amendment No. 2

AMENDMENT NO. 2 TO SECOND AMENDED AND RESTATED
GUARANTEE AND PLEDGE AGREEMENT

AMENDMENT NO. 2 TO SECOND AMENDED AND RESTATED GUARANTEE AND PLEDGE AGREEMENT dated as of March 24, 1998, between MEDIACOM LLC, a limited liablity company duly authorized and validly existing under the laws of New York, and MEDIACOM MANAGEMENT CORPORATION, a corporation duly authorized and validly existing under the laws of Delaware (each, individually, a "Parent Guarantor" and, collectively, the "Parent Guarantors"); and THE CHASE MANHATTAN BANK, as administrative agent (the "Administrative Agent") for the lenders (the "Lenders") party to the Second Amended and Restated Credit Agreement dated as of June 24, 1997 (as modified and supplemented and in effect from time to time, the "Credit Agreement") between Mediacom California LLC, Mediacom Delaware LLC, Mediacom Arizona LLC (each, individually, a "Borrower", and, collectively, the "Borrowers"), the Lenders and the Administrative Agent.

The Parent Guarantors and the Administrative Agent are party to a Second Amended and Restated Guarantee and Pledge Agreement dated as of June 24, 1997 (as heretofore modified and supplemented and in effect on the date hereof, the "Guarantee and Pledge Agreement") pursuant to which the Parent Guarantors have agreed to guarantee the Guaranteed Obligations (as defined therein) and have pledged and granted a security interest in the Collateral (as so defined) as security for the Secured Obligations (as so defined), including, *inter alia*, the obligations of the Borrowers under the Credit Agreement. Majority Lenders, the Administrative Agent and the Parent Guarantors wish to amend the Guarantee and Pledge Agreement in certain respects, and accordingly, the parties hereto hereby agree as follows:

Section 1. Definitions. Except as otherwise defined in this Amendment No. 2, terms defined in the Guarantee and Pledge Agreement are used herein as defined therein.

Section 2. Amendments. Upon the execution and delivery of this Amendment No. 2 by the Parent Guarantors and the Administrative Agent, but effective as of the date hereof, the Guarantee and Pledge Agreement shall be amended as follows:

2.01. References in the Guarantee and Pledge Agreement (including references to the Guarantee and Pledge Agreement as amended hereby) to "this Agreement" (and indirect references such as "hereunder", "hereby", "herein" and "hereof") shall be deemed to be references to the Guarantee and Pledge Agreement as amended hereby.

2.02. Section 1 of the Guarantee and Pledge Agreement is amended by inserting the following new definition in the appropriate alphabetical location:

> ""Senior Notes" shall mean, collectively, senior notes to be issued by Mediacom in an aggregate principal amount up to $225,000,000, including any notes issued by Mediacom in exchange for such Senior Notes."

2.03. Section 5.02 of the Guarantee and Pledge Agreement is amended by inserting the following proviso at the end thereof:

> ", provided that the foregoing shall not apply to (x) any indenture, agreement or other instrument entered into in connection with the issuance of the Senior Notes (subject to such indenture, agreement or other instrument being satisfactory in form and substance to the Majority Lenders) and (y) any other indenture, agreement or other instrument containing covenants not more restrictive in any instance than those applicable to the Senior Notes."

Section 3. Miscellaneous. Except as herein provided, the Guarantee and Pledge Agreement shall remain unchanged and in full force and effect. This Amendment No. 2 may be executed in any number of counterparts, all of which taken together shall constitute one and the same amendatory instrument and any of the parties hereto may execute this Amendment No. 2 by signing any such counterpart. This Amendment No. 2 shall be governed by, and construed in accordance with, the law of the State of New York.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 2 to be duly executed and delivered as of the day and year first above written.

MEDIACOM LLC

By________________________________
Title:

MEDIACOM MANAGEMENT CORPORATION

By________________________________

THE CHASE MANHATTAN BANK, as
Administrative Agent

By________________________________
Title:

EXHIBIT 10.6(a)

[EXECUTION COUNTERPART]

****

MEDIACOM SOUTHEAST LLC

CREDIT AGREEMENT

Dated as of January 23, 1998

THE CHASE MANHATTAN BANK,
as Administrative Agent

****

TABLE OF CONTENTS

This Table of Contents is not part of the Agreement to which it is attached but is inserted for convenience of reference only.

CREDIT AGREEMENT dated as of January 23, 1998, between: MEDIACOM SOUTHEAST LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware (the "Borrower"); 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 THE CHASE MANHATTAN 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 Borrower has requested that the Lenders extend credit to it (by making loans and issuing letters of credit) in an aggregate principal or face amount not exceeding $225,000,000 (which may, in the circumstances herein provided, be increased to $275,000,000) at any one time outstanding and the Lenders are prepared to extend such credit upon the terms and conditions hereof. 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):

"Acquisition Agreements" shall mean, collectively, the Cablevision Acquisition Agreement and any Subsequent Acquisition Agreements.

"Acquisitions" shall mean, collectively, the Cablevision Acquisition and any Subsequent Acquisitions.

"Adjusted Operating Cash Flow" shall mean, for any period during which the Borrower shall have consummated an Acquisition, the sum, for the Borrower and its Subsidiaries (determined on a consolidated 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) Operating Cash Flow minus (ii) without duplication of the Management Fees actually paid during such period, the additional Management Fees that would have been paid during such period at a rate equal to 4.5% of the gross operating revenue of the 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 Borrower shall have consummated an Acquisition, the sum, for the Borrower and its Subsidiaries (determined on a consolidated 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) in the case of the Cablevision Acquisition, the amounts set forth in Schedule VI hereto for such period, or, in the case of any Subsequent Acquisition, the amounts set forth in a statement of adjustments to System Cash Flow provided by the Borrower in connection with such Subsequent Acquisition and acceptable to the Admininistrative Agent and Majority Lenders (in each case representing certain cost savings and programming cost increases in respect of the CATV Systems being acquired in such Acquisition).

"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, the 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 the Borrower or any of its Subsidiaries and (b) none of the Wholly Owned Subsidiaries of the Borrower shall be Affiliates.

"Affiliate Subordinated Indebtedness" shall mean Indebtedness to an Affiliate (i) for which the 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 Borrower to pay principal of and interest on the Loans, Reimbursement Obligations, fees and other amounts payable hereunder pursuant to an Affiliate Subordinated Indebtedness Subordination Agreement, (iv) that does not mature prior to June 30, 2007, 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 and (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.

"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 the Borrower or any of its Subsidiaries may be obligated to pay Affiliate Subordinated Indebtedness, the Borrower 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 Borrower as the office by which its Loans of such Type are to be made and maintained.

"Applicable Margin" shall mean, with respect to Loans of any Type, the respective rates indicated below for Loans of such Type opposite the then-current Rate Ratio (determined pursuant to Section 3.03 hereof) indicated below (except that anything in this Agreement to the contrary notwithstanding, the Applicable Margin with respect to any Loans shall be the highest rates provided for below (i.e., 1.25% with respect to Base Rate Loans and 2.25% with respect to Eurodollar Loans) during any period when an Event of Default shall have occurred and be continuing):

Range of Rate Ratio	Applicable Margin (% p.a.) Base Rate Loans	Eurodollar Loans
Greater than 5.50 to 1	1.250%	2.250%
Greater than or equal to 5.00 to 1 but less than or equal to 5.50 to 1	1.000%	2.000%
Greater than or equal to 4.50 to 1 but less than 5.00 to 1	0.750%	1.750%
Greater than or equal to 3.50 but less than 4.50 to 1	0.500%	1.500%
Less than 3.50 to 1	0.250%	1.250%

"Assignment and Acceptance" means an assignment and acceptance entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 11.05 hereof), and accepted by the Administrative Agent, in the form of Exhibit A 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, the other Loan Documents, the Acquisition Agreements and each Retained Franchise Management Agreement.

"Basic Subscribers" shall mean, as at any date, (a) Subscribers who subscribe to a CATV System at the regular basic monthly subscription rate for such CATV System to a single household Subscriber (exclusive of "secondary outlets", as such term is commonly understood in the cable television industry), plus (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 each Region by the weighted average of the regular basic monthly subscription rates for basic service charged by the CATV Systems in such Region.

"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 the 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.

"Cablevision" means Cablevision Systems Corporation, a Delaware corporation.

"Cablevision Acquisition Agreement" shall mean the Asset Purchase Agreement dated as of August 29, 1997 by and among the Sellers, Cablevision and Mediacom, as the same shall, subject to Section 8.19 hereof, be modified and supplemented and in effect from time to time.

"Cablevision Acquisition" shall mean the acquisition by the Borrower (as the assignee of Mediacom under the Cablevision Acquisition Agreement) of CATV Systems from the Sellers, pursuant to the Cablevision Acquisition Agreement.

"Capital Expenditures" shall mean, for any period, expenditures made by the Borrower or any of its 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.

"Chase" shall mean The Chase Manhattan Bank.

"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 Security Agreement.

"Commisso Entity" shall mean, collectively, (i) Rocco Commisso, (ii) any entity controlled by Rocco Commisso and owned by Rocco Commisso, (iii) members of the immediate family of Rocco Commisso or (iv) trusts established for the benefit of Rocco Commisso or members of the immediate family of Rocco Commisso.

"Commitments" shall mean, collectively, the Revolving Credit Commitments, the 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.

"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 Borrower after the date hereof that, at the time the same are received by the Borrower are identified by the Borrower, in a certificate of a Senior Officer delivered by the Borrower 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 the Borrower or any of its Subsidiaries after the Closing Date of any debt securities, excluding, however, any Indebtedness incurred pursuant to Section 8.07(c) or 8.07(e) hereof.

"Debt Service" shall mean, for any period, the sum, for the Borrower and its Subsidiaries (determined on a consolidated basis without duplication in accordance with GAAP), of the following: (a) in the case of 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 pursuant to Section 2.04(a) hereof, were required to be made pursuant to Section 3.01(a) hereof during such period plus (b) in the case of Term Loans and Incremental Facility Loans under this Agreement and all other Indebtedness (other than 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.

"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 Borrower or any of its 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.

"ECC" means ECC Holding Corporation, a Delaware corporation.

"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 Issuance" shall mean, collectively, (a) any issuance or sale by the Borrower after the Closing Date of (i) any of its ownership interests or of its capital stock, (ii) any warrants or options exercisable in respect of its capital stock or its ownership interests (other than any warrants or options issued to directors, officers or employees of the Borrower pursuant to employee benefit plans established in the ordinary course of business and any ownership interests of the Borrower issued upon the exercise of such warrants or options) or (iii) any other security or instrument representing an equity interest (or the right to obtain any equity interest) in the Borrower or (b) the receipt by the Borrower after the Closing Date of any equity capital contribution (whether or not evidenced by any equity security issued by the recipient of such contribution); provided that the issuance or sale by the Borrower of any equity interest to Mediacom, or the receipt by the Borrower of any equity capital contribution from Mediacom, in connection with an Acquisition shall not constitute an "Equity Issuance" hereunder.

"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 the 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 the Borrower is a member.

"Eurodollar Base Rate" shall mean, with respect to any Eurodollar Loan for any Interest Period therefor, the rate per annum (rounded upwards, if necessary, to the nearest 1/100 of 1%), quoted by Chase at approximately 11:00 a.m. London time (or as soon thereafter as practicable) on the date two Business Days prior to the first day of such Interest Period for the offering by Chase to leading banks in the London interbank market of Dollar deposits having a term comparable to such Interest Period and in an amount comparable to the principal amount of the Eurodollar Loan to be made by Chase for such Interest Period. If Chase is not participating in any Eurodollar Loans during any Interest Period therefor, the Eurodollar Base Rate for such Loans for such Interest Period shall be determined by reference to the amount of such Loans that Chase would have made or had outstanding had it been participating in such Loan during 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.

"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.

"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.

"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 Chase on such Business Day on such transactions as determined by the Administrative Agent.

"Franchise" shall mean a franchise, license, authorization or right by contract or otherwise to construct, own, operate, promote, extend and/or otherwise exploit any CATV System operated or to be operated by the Borrower or any of its Subsidiaries granted by any state, county, city, town, village or other local or state government authority or by the FCC. The term "Franchise" shall include each of the Franchises set forth on Schedule IV 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.

"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 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 Availability Period" shall mean the period from and including the Closing Date to but excluding December 31, 1999 (or, if such date is not a Business Day, to but excluding the immediately preceding Business Day).

"Incremental Facility Commitment" shall mean, for each Incremental Facility Lender, and for any Series thereof, the obligation of such Incremental Facility Lender to make Incremental Facility 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 Commitment of any Series shall be determined in accordance with the provisions of Section 2.01(d) hereof. The aggregate amount of the Incremental Facility Commitments of all Series shall not exceed $50,000,000.

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

"Incremental Facility Loans" shall mean the loans provided for by Section 2.01(c) 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 90 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 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 Borrower and its Subsidiaries and (ii) all obligations in respect of Interest Rate Protection Agreements.

"Information Memorandum" shall mean the Confidential Information Memorandum dated December 4, 1997 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 (which, for periods prior to the Closing Date, shall be based upon the results of operations of Cablevision) to (b) Interest Expense for such fiscal quarter.

Notwithstanding the foregoing, the Interest Coverage Ratio for 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 Borrower and its Subsidiaries (determined on a consolidated 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) accrued or capitalized during 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 plus

(d) the aggregate amount of payments permitted pursuant to Section 8.09(d) hereof made by the Borrower with respect to issued and outstanding Preferred Membership Interests.

Notwithstanding the foregoing, if during any period for which Interest Expense is being determined the Borrower or any of its 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 (subject to the provisions of Section 2.01(d) hereof) ending on the numerically corresponding day in the first, second, third or sixth calendar month thereafter, as the Borrower may select as provided in Section 4.05 hereof, except that each Interest Period 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) no Interest Period for any Revolving Credit Loan may commence before and end after any Revolving Credit Commitment Reduction Date unless, after giving effect thereto, the aggregate principal amount of Revolving Credit Loans having Interest Periods that end after such Revolving Credit Commitment Reduction Date shall be equal to or less than the aggregate principal amount of Revolving Credit Loans scheduled to be outstanding after giving effect to the payments of principal required to be made on such Revolving Credit Commitment Reduction Date;

(iii) no Interest Period for any Term Loan may commence before and end after any Principal Payment Date unless, after giving effect thereto, the aggregate principal amount of the Term Loans having Interest Periods that end after such Principal Payment Date shall be equal to or less than the aggregate principal amount of the Term Loans scheduled to be outstanding after giving effect to the payments of principal required to be made on such Principal Payment Date;

(iv) no Interest Period for any Incremental Facility Loan of any Series may commence before and end after any Principal Payment Date unless, after giving effect thereto, the aggregate principal amount of the Incremental Facility Loans of such Series having Interest Periods that end after such Principal Payment Date shall be equal to or less than the aggregate principal amount of the Incremental Facility Loans of such Series scheduled to be outstanding after giving effect to the payments of principal required to be made on such Principal Payment Date;

(v) 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

(vi) notwithstanding clauses (i), (ii), (iii) and (iv) above, no Interest Period shall have a duration of less than one month and, if the Interest Period for any Eurodollar Loan would otherwise be a shorter period, such Loan shall not be available hereunder for such period.

"<u>Interest Rate Protection Agreement</u>" shall mean, for any Person, an interest rate swap, cap or collar agreement or similar arrangement between such Person and one or more financial institutions providing for the transfer or mitigation of interest risks either generally or under specific contingencies. For purposes hereof, the "<u>credit exposure</u>" 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.

"<u>Investment</u>" 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 Chase, as the issuer of Letters of Credit under Section 2.03 hereof, together with its successors and assigns in such capacity.

"*Letter of Credit*" shall have the meaning assigned to such term in Section 2.03 hereof.

"*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, such Lender's participation interest (or, in the case of the Issuing Lender, the Issuing Lender's retained interest) in the Issuing Lender's liability under Letters of Credit and such Lender's rights and interests in Reimbursement Obligations and fees, interest and other amounts payable in connection with Letters of Credit and Reimbursement Obligations.

"*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 Borrower 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 (other than the 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 the 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 other than the 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 and each Management Fee Subordination Agreement.

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

"Majority Incremental Facility Lenders" shall mean, with respect to any Series of Incremental Facility Loans, Incremental Facility Lenders holding at least 66-2/3% of the aggregate outstanding principal amount of the Incremental Facility Loans of such Series or, if the Incremental Facility Loans shall not have been made, at least 66-2/3% of the Incremental Facility Commitments of such Series.

"Majority Lenders" shall mean, subject to the last paragraph of Section 11.04 hereof, Lenders having at least 66-2/3% of the sum of (a) the aggregate outstanding principal amount of the Term Loans or, if the Term Loans shall not have been made, the aggregate outstanding principal amount of the Term Loan Commitments plus (b) the aggregate outstanding principal amount of the Incremental Facility Loans or, if the Incremental Facility Loans shall not have been made, the aggregate outstanding principal amount of the Incremental Facility Commitments plus (c) the sum of (i) the aggregate unused amount, if any, of the Revolving Credit Commitments at such time plus (ii) the aggregate outstanding principal amount of the Revolving Credit Loans at such time.

"Majority Revolving Credit Lenders" shall mean Revolving Credit Lenders having at least 66-2/3% of the aggregate amount of the Revolving Credit Commitments or, if the Revolving Credit Commitments shall have terminated, Revolving Credit Lenders holding at least 66-2/3% of the sum of (a) the aggregate unpaid principal amount of the Revolving Credit Loans plus (b) the aggregate amount of all Letter of Credit Liabilities.

"Majority Term Loan Lenders" shall mean Term Loan Lenders holding at least 66-2/3% of the aggregate outstanding principal amount of the Term Loans or, if the Term Loans shall not have been made, at least 66-2/3% of the Term Loan Commitments.

"Management Agreement" shall mean the Management Agreement dated January 23, 1998 among the Borrower and Mediacom Management Corporation, as the same shall, subject to Section 8.19 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 Borrower or any of its Subsidiaries may be obligated to pay Management Fees), the Borrower 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) paid or incurred

by the Borrower to Affiliates (other than Affiliates that are employees of the Borrower and its Subsidiaries) in respect of services rendered in connection with the management or supervision of the Borrower and its Subsidiaries, provided that Management Fees shall exclude the aggregate amount of intercompany
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shared expenses payable to Mediacom that are allocated by Mediacom to the Borrower and its Subsidiaries in accordance with Section 5.05 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).

"Manager" shall mean Mediacom Management Corporation, or any successor in such
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capacity as manager of the Borrower.

"Material Adverse Effect" shall mean a material adverse effect on (a) the
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Property, business, operations, financial condition, prospects, liabilities or capitalization of the Borrower and its 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.

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

"Mediacom Notes" shall mean the promissory notes executed and delivered by
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Mediacom to Chase on or prior to the Closing Date evidencing loans by Chase to Mediacom in the aggregate principal amount of $20,000,000, the proceeds of which are to be contributed by Mediacom to the Borrower as consideration for Preferred Membership Interests to be issued to Mediacom.

"Missouri L.P." means Missouri Cable Partners, L.P., a Delaware limited
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partnership.

"Multiemployer Plan" shall mean a multiemployer plan defined as such in
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Section 3(37) of ERISA to which contributions have been made by the 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;

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

(iii) in the case of any Equity Issuance or Debt Issuance, the aggregate amount of all cash received by the Borrower or any of its Subsidiaries in respect of such Equity Issuance or Debt Issuance, net of reasonable expenses incurred by the Borrower and its 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 Borrower and its 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 Borrower and its Subsidiaries in connection with such Disposition and (b) Net Cash Payments shall be net of any repayments by the Borrower and its 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 Borrower, Mediacom and, effective upon execution and delivery of any Subsidiary Guarantee Agreement, each Subsidiary of the Borrower so executing and delivering such Subsidiary Guarantee Agreement.

"Operating Agreement" shall mean the Operating Agreement of the Borrower dated as of January 23, 1998, as the same shall, subject to Section 8.19 hereof, be modified and supplemented and in effect from time to time.

"Operating Cash Flow" shall mean, for any period, the sum, for the Borrower and its Subsidiaries (determined on a consolidated 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 4.5% of the gross operating revenue of the Borrower and its Subsidiaries for such period.

"Pay TV Units" shall mean the aggregate number of premium or pay television services to which Subscribers subscribe.

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

"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 $500,000,000, 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.

"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 Borrower or any ERISA Affiliate and that is covered by Title IV of ERISA, other than a Multiemployer Plan.

"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.

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

"Principal Payment Dates" shall mean (a) in the case of the Term Loans, the last Business Day of March, June, September and December of each year, commencing with March

31, 2001, through and including June 30, 2006 and (b) in the case of Incremental Facility Loans of any Series, such dates as shall have been agreed upon between the Borrower and the respective Incremental Facility Lenders of such Series pursuant to Section 2.10(c) hereof at the time such Lenders become obligated to make such Incremental Facility Loans hereunder.

"Pro Forma Debt Service Coverage Ratio" shall mean, as at any date, the ratio of (a) the product of (x) Operating Cash Flow for the fiscal quarter ending on, or most recently ended prior to, such date (which, for periods prior to the Closing Date, shall be based upon the results of operations of U.S. Cable) times (y) four to (b) Debt Service (other than payments in respect of Affiliate Subordinated Indebtedness and Preferred Membership Interests) for the period of four consecutive fiscal quarters immediately following the last day of the most recently ended fiscal quarter, determined under the assumptions that (1) the rate of interest applicable to Indebtedness of the Borrower and its Subsidiaries (other than Affiliate Subordinated Indebtedness) during such period will not change from the weighted average rate of interest in effect on such last day and (2) all regularly scheduled payments or regularly scheduled prepayments of principal of such Indebtedness required to made during such period will be made when due (including, without limitation, the principal component of any payments in respect of Capital Lease Obligations).

Notwithstanding the foregoing, the Pro Forma Debt Service Coverage Ratio for 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 (other than payments in respect of Affiliate Subordinated Indebtedness and Preferred Membership Interests) for the period of four consecutive fiscal quarters immediately following the last day of such fiscal quarter, determined on the assumptions set forth above.

"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 Subsequent 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 (e) of Section 8.07 hereof), paid or delivered by the Borrower and its 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 Borrower and its Subsidiaries after giving effect to such acquisition.

"Quarterly Dates" shall mean the twentieth day of January, April, July and October in each year, the first of which shall be the first such day after the date of this

Agreement; provided that if any such day is not a Business Day, then such Quarterly Date shall be the next succeeding Business Day.

"Quarterly Officer's Report" shall mean a quarterly report of a Senior Officer with respect to Basic Subscribers, homes passed, revenues per Subscriber and Pay TV Units, substantially in the form of Exhibit B hereto.

"Quarterly Payment Period" shall mean each successive three-month period from and including a Quarterly Date (or, in the case of the initial Quarterly Payment Period, from and including the Closing Date) to but not including the next following Quarterly Date.

"Rate Ratio" shall mean, for any Quarterly Payment Period, the daily average of the Total Leverage Ratio during the fiscal quarter ending on, or most recently ended prior to, the first day of such Quarterly Payment Period, provided that (a) the Rate Ratio on the Closing Date shall be the Total Leverage Ratio on such date (after giving effect to the transactions contemplated hereunder to occur on or prior to the Closing Date) and (b) for purposes of determining the Rate Ratio for the period from and after the Closing Date until such time as one complete fiscal quarter shall have elapsed subsequent to the Closing Date, the daily average of the Total Leverage Ratio shall be determined only for the portion of such fiscal quarter commencing on the Closing Date.

"Rate Ratio Certificate" shall mean, for any Quarterly Payment Period, 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.

"Region" shall mean each geographic region into which the CATV Systems of the Borrower and its Subsidiaries are divided for operating and management purposes. The Regions of the Borrower and its Subsidiaries as of the Closing Date (after giving effect to the Cablevision Acquisition) will be the Regions identified on Schedule VII hereto.

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

"Regulations A, D, G, T, U and X" shall mean, respectively, Regulations A, D, G, 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.

"Reimbursement Obligations" shall mean, at any time, the obligations of the Borrower then outstanding, or that may thereafter arise in respect of all Letters of Credit then outstanding, to reimburse amounts paid by the 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 Payment" shall mean, collectively, (a) all distributions of the Borrower (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 Borrower 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 Borrower or any of its Subsidiaries), (b) any payments made by the Borrower to any holders of any equity interests in the Borrower that are designed to reimburse such holders for the payment of any taxes attributable to the operations of the Borrower and its Subsidiaries, (c) any payments of principal of or interest on Affiliate Subordinated Indebtedness and (d) any payments in respect of Management Fees.

"Retained Franchises" shall mean Franchises intended to be acquired in connection with the Cablevision Acquisition but which have not yet been acquired for one of the reasons specified in Section 7.07 of the Cablevision Acquisition Agreement and, accordingly, are to be managed by the Borrower pending resolution of the matters preventing such acquisition as contemplated by Section 9.06 of the Cablevision Acquisition Agreement.

"Retained Franchise Management Agreement" shall mean a Management Agreement entered into by the Borrower and the applicable Seller pursuant to Section 9.06 of the Cablevision Acquisition Agreement regarding management services to be provided by the Borrower to the Seller with respect to Retained Franchises.

"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 one time outstanding up to but not exceeding the amount set forth opposite the name of such Lender on Schedule I hereto (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 original aggregate principal amount of the Revolving Credit Commitments is $140,000,000.

"Revolving Credit Commitment Percentage" shall mean, with respect to any Revolving Credit Lender, the ratio of (a) the amount of the Revolving Credit Commitment of such Lender to (b) the aggregate amount of the Revolving Credit Commitments of all of the Lenders.

"Revolving Credit Commitment Reduction Dates" shall mean the last Business Day of March, June, September and December in each year, commencing with March 31, 2001, through and including June 30, 2006.

"Revolving Credit Commitment Termination Date" shall mean the Revolving Credit Commitment Reduction Date falling on or nearest to June 30, 2006.

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

"Security Agreement" shall mean a Security Agreement substantially in the form of Exhibit C hereto between the Borrower, 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.

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

"Sellers" means, collectively, U.S. Cable, ECC and Missouri L.P.

"Senior Officer" shall mean the chairman, chief executive officer or chief financial officer of the Manager, acting for and on behalf of the Borrower.

"Senior Notes" shall mean, collectively, senior notes in an aggregate principal amount up to $150,000,000 to be issued by Mediacom after the Closing Date, including any any notes issued by Mediacom in exchange for such senior notes.

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

"Subscriber" shall mean a Person who subscribes to one or more of the cable television services of the Borrower and its Subsidiaries and includes both Basic Subscribers and Persons who subscribe to Pay TV Units, but excluding each such Person who is pending disconnection for any reason or is delinquent in payment for such services for more than 60 days or who has not paid in full without discount at least one monthly bill generated in the ordinary course of business.

"Subsequent Acquisition Agreements" shall mean each agreement pursuant to which a Subsequent Acquisition shall be consummated, as the same shall, subject to Section 8.19 hereof, be modified and supplemented and in effect from time to time.

"Subsequent Acquisitions" shall mean any acquisition permitted under 8.05(d)(v) hereof.

"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 the 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 Borrower that executes and delivers a Subsidiary Guarantee Agreement.

"Supplemental Capital" shall mean advances made by an Affiliate to the Borrower constituting Affiliate Subordinated Indebtedness (excluding any Cure Monies).

"System Cash Flow" shall mean, for any period, the sum, for the Borrower and its Subsidiaries (determined on a consolidated basis without duplication in accordance with GAAP), of the following: (a) gross operating revenues for such period minus (b) all operating expenses 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 and interest expense (including, without limitation, all items included in Interest Expense), provided that gross operating revenues and operating expenses for any period shall exclude all extraordinary and unusual items and all non-cash items, plus (c) all payments received by the Borrower during such period pursuant to any Retained Franchise Management Agreement plus (d) all Capital Expenditures made by the Sellers in respect of Retained Franchises during such period.

Notwithstanding the foregoing, if during any period for which System Cash Flow is being determined the Borrower or any of its 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 Borrower would otherwise have paid in the event it were a corporation (other than an "S corporation" within the meaning of Section 1361 of the Code) for such period and all prior periods.

"Term Loan Commitment" shall mean, as to each Term Loan Lender, the obligation of such Lender to make one or more Term Loans in an aggregate principal amount equal to the amount set opposite the name of such Lender on Schedule I hereto. The original aggregate principal amount of the Term Loan Commitments is $85,000,000.

"Term Loan Commitment Termination Date" shall mean January 31, 1998 (or, if such date is not a Business Day, the immediately preceding Business Day).

"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 the loans provided for by Section 2.01(b) hereof, which may be Base Rate Loans and/or Eurodollar Loans.

"Total Leverage Ratio" shall mean, as at any date, the ratio of (a) the aggregate amount of all Indebtedness of the Borrower and its Subsidiaries (including, without limitation, Capital Lease Obligations, but excluding Affiliate Subordinated Indebtedness) 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 for 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 Borrower and its Subsidiaries (including, without limitation, Capital Lease Obligations, but excluding Affiliate Subordinated Indebtedness) as at the relevant date to (b) the product of Adjusted System Cash Flow for such fiscal quarter times four.

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

"U.S. Cable" shall mean U.S. Cable Television Group, L.P., a Delaware limited partnership.

"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 Borrower and its Subsidiaries (determined on a consolidated 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) 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 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, 1996 referred to in Section 7.02 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, 1996 referred to in Section 7.02 hereof) unless

(i) the Borrower 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 unaudited financial statements referred to in Section 7.02(i) hereof).

(b) The Borrower 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) To enable the ready and consistent determination of compliance with the covenants set forth in Section 8 hereof, the Borrower will not 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 Term Loan or an Incremental Facility Loan, 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 be classified by Series, each of which shall be considered a separate Class.

1.04 Subsidiaries. The Borrower has no Subsidiaries on the date hereof; reference in this Agreement to Subsidiaries of the Borrower shall be deemed inapplicable until such time as the Majority Lenders shall consent to the creation of such Subsidiaries or such Subsidiaries shall in fact come into existence in accordance with the terms hereof.

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 Borrower 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 (i) in no event shall the aggregate principal amount of all Revolving Credit Loans, together with the aggregate amount of all Letter of Credit Liabilities, exceed the aggregate amount of the Revolving Credit Commitments as in effect from time to time and (ii) after giving effect to the making of the initial Revolving Credit Loans, and the issuance of the initial Letters of Credit, on the Closing Date there shall be an aggregate of at least $10,000,000 of unutilized Revolving Credit Commitments. Subject to the terms and conditions of this Agreement, during such period the Borrower 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). Anything herein to the contrary notwithstanding, Revolving Credit Loans shall not be available hereunder unless the Term Loans (in an aggregate principal amount equal to $85,000,000) are made on the Closing Date.

Proceeds of Revolving Credit Loans shall be available for any use permitted under Section 8.17 hereof, provided that, in the event that as contemplated by Section 2.10(d) hereof, the Borrower 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 Subsequent Acquisitions permitted under Section 8.05 hereof or to make prepayments of Loans under Section 2.10(d) hereof. The Borrower agrees, 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 Subsequent Acquisition 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) Term Loans. Each Term Lender severally agrees, on the terms and conditions of this Agreement, to make term loans to the Borrower in Dollars on the Closing Date (provided that the same shall occur no later than the Term Loan Commitment Termination Date) in an aggregate principal amount equal to the amount of the Term Loan Commitment of such Lender. Subject to the terms and conditions of this Agreement, on the Closing Date the Borrower may borrow the Term Loan Commitments by means of Base Rate Loans and Eurodollar Loans, and thereafter the Borrower may Convert Term Loans of one Type into Term Loans of another Type (as provided in Section 2.09 hereof) or Continue Term Loans of one Type as Term Loans of the same Type (as provided in Section 2.09 hereof).

Proceeds of Term Loans hereunder shall be available for any use permitted under Section 8.17 hereof.

(c) Incremental Facility Loans. In addition to borrowings of Term Loans and Revolving Credit Loans provided above, at any time during the Incremental Facility Availability Period the Borrower may from time to time request that the Lenders offer to enter into commitments to make additional term loans to the Borrower hereunder, which commitment of any Lender shall not be less than $10,000,000 and not greater than $50,000,000. In the event that one or more of the Lenders offer, in their sole discretion, to enter into such commitments, and such Lenders and the Borrower 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) 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 Borrower in connection therewith and the amortization to be applicable thereto, such Lenders shall become obligated to make Incremental Facility Loans under this Agreement in an amount equal to the amount of their respective Incremental Facility Commitments. The Incremental Facility Loans to be made pursuant to any such agreement between the Borrower and one or more Lenders in response to any such request by the Borrower shall be deemed to be a separate "Series" of Incremental Facility Loans for all purposes of this Agreement. Anything herein to the contrary notwithstanding, (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) shall be $10,000,000, (ii) the aggregate principal amount of all Commitments and Incremental Facility Loans shall not exceed $50,000,000 and (iii) in no event shall the final maturity date for the Incremental Facility Loans of any Series be earlier than the final Principal Payment Date for the Term Loans, nor shall the amortization for any Incremental Facility Loans of any Series be at a rate faster (i.e. earlier) than the rate of amortization of the Term Loans (the determination of whether or not such amortization is faster to be made by the Administrative Agent).

Proceeds of Incremental Facility Loans hereunder shall be available for any use permitted under Section 8.17 hereof.

(d) Limit on Eurodollar Loans. No more than seven separate Interest Periods in respect of Eurodollar Loans of a Class from each Lender may be outstanding at any one time, provided that, prior to February 15, 1998, all Eurodollar Loans of any Class must have an Interest Period of one month's duration and be coterminous with the Interest Periods of all other Eurodollar Loans of any Class, and, to the extent that prior to such date a Eurodollar Loan would not satisfy such conditions, such Loan shall be made, or Continued as or Converted into, a Base Rate Loan.

2.02 Borrowings. The Borrower shall give the Administrative Agent notice of each borrowing hereunder as provided in Section 4.05 hereof. Not later than 1:00 p.m. New York time on the date specified for each borrowing hereunder, 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 account of the Borrower. The amount so received by the Administrative Agent shall, subject to the terms and conditions of this Agreement, be made available to the Borrower by depositing the same, in immediately available funds, in an account of the Borrower designated by the Borrower and maintained with Chase at its principal office.

2.03 Letters of Credit. Subject to the terms and conditions of this Agreement, the Revolving Credit Commitments may be utilized, upon the request of the Borrower, in addition to the Revolving Credit Loans provided for by Section 2.01(a) hereof, by the issuance by the Issuing Lender of letters of credit (collectively, "Letters of Credit") for account of the Borrower or any of its Subsidiaries (as specified by the Borrower), provided that in no event shall (i) the aggregate amount of all Letter of Credit Liabilities, together with the aggregate principal amount of the Revolving Credit Loans, exceed the aggregate amount of the Revolving Credit Commitments as in effect from time to time, (ii) the outstanding aggregate amount of all Letter of Credit Liabilities exceed $35,000,000 and (iii) the expiration date of any Letter of Credit extend beyond the earlier of the date five Business Days prior to the Revolving Credit Commitment Termination Date 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 following additional provisions shall apply to Letters of Credit:

(a) The Borrower 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) 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 Issuing Lender of the contents thereof.

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

(c) Upon receipt from the beneficiary of any Letter of Credit of any demand for payment under such Letter of Credit, the Issuing Lender shall promptly notify the Borrower (through the Administrative Agent) of the amount to be paid by the Issuing Lender as a result of such demand and the date on which payment is to be made by the Issuing Lender to such beneficiary in respect of such demand. Notwithstanding the identity of the account party of any Letter of Credit, the Borrower hereby unconditionally agrees to pay and reimburse the Administrative Agent for account of the 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 the Issuing Lender to the beneficiary thereunder, without presentment, demand, protest or other formalities of any kind.

(d) Forthwith upon its receipt of a notice referred to in paragraph (c) of this Section 2.03, the Borrower shall advise the Administrative Agent whether or not the Borrower intends to borrow hereunder to finance its obligation to reimburse the Issuing Lender for the amount of the related demand for payment and, if it does, submit a notice of such borrowing as provided in Section 4.05 hereof.

(e) Each Revolving Credit Lender (other than the Issuing Lender) shall pay to the Administrative Agent for account of the Issuing Lender at its principal office in Dollars and in immediately available funds, the amount of such Lender's Revolving Credit Commitment Percentage of any payment under a Letter of Credit upon notice by the Issuing Lender (through the Administrative Agent) to such Revolving Credit Lender requesting such payment and specifying such amount. Each such Revolving Credit Lender's obligation to make such payment to the Administrative Agent for account of the Issuing Lender under this paragraph (e), and the 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 Revolving Credit Lender to make its payment under this paragraph (e), the financial condition of the

Borrower (or any other account party), the existence of any Default or the termination of the Commitments. Each such payment to the Issuing Lender shall be made without any offset, abatement, withholding or reduction whatsoever. If any Revolving Credit Lender shall default in its obligation to make any such payment to the Administrative Agent for account of the Issuing Lender, for so long as such default shall continue the Administrative Agent may at the request of the Issuing Lender withhold from any payments received by the Administrative Agent under this Agreement or any Note for account of such Revolving Credit Lender the amount so in default and, to the extent so withheld, pay the same to the Issuing Lender in satisfaction of such defaulted obligation.

(f) Upon the making of each payment by a Revolving Credit Lender to the 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, the Issuing Lender or such Lender, acquire (i) a participation in an amount equal to such payment in the Reimbursement Obligation owing to the Issuing Lender by the Borrower 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 Revolving Credit Commitment Percentage in any interest or other amounts payable by the Borrower hereunder and under such Letter of Credit Documents in respect of such Reimbursement Obligation (other than the commissions, charges, costs and expenses payable to the Issuing Lender pursuant to paragraph (g) of this Section 2.03). Upon receipt by the Issuing Lender from or for account of the Borrower 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) the Issuing Lender shall promptly pay to the Administrative Agent for account of each Revolving Credit Lender entitled thereto, such Revolving Credit Lender's Revolving Credit Commitment Percentage of such payment, each such payment by the Issuing Lender to be made in the same money and funds in which received by the Issuing Lender. In the event any payment received by the Issuing Lender and so paid to the Revolving Credit Lenders hereunder is rescinded or must otherwise be returned by the Issuing Lender, each Revolving Credit Lender shall, upon the request of the Issuing Lender (through the Administrative Agent), repay to the 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) The Borrower shall pay to the Administrative Agent for account of each Revolving Credit Lender (ratably in accordance with their respective Commitment Percentages) a letter of credit fee in respect of each Letter of Credit in an amount equal to the Applicable Margin, in effect from time to time, for Revolving Credit Loans 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 on each Quarterly Date and on the Revolving Credit Commitment Termination Date 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 Borrower shall pay to the Administrative Agent for account of the Issuing Lender a fronting fee in respect of each Letter of Credit 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 on each Quarterly Date and on the Revolving Credit Commitment Termination Date 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 the 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) Promptly following the end of each calendar month, the Issuing Lender shall deliver (through the Administrative Agent) to each Revolving Credit Lender and the Borrower a notice describing the aggregate amount of all Letters of Credit outstanding at the end of such month. Upon the request of any Revolving Credit Lender from time to time, the Issuing Lender shall deliver any other information reasonably requested by such Lender with respect to each Letter of Credit then outstanding.

(i) The issuance by the 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 the Issuing Lender consistent with its then current practices and procedures with respect to letters of credit of the same type and (ii) the Borrower shall have executed and delivered such applications, agreements and other instruments relating to such Letter of Credit as the 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) 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 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 the 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) The issuance by the 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) each Revolving Credit Lender shall have consented thereto.

The Borrower hereby indemnifies and holds harmless each Revolving Credit Lender and the Administrative Agent from and against any and all claims and damages, losses, liabilities, costs or expenses that such 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 the Issuing Lender under any Letter of Credit; provided that the Borrower 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 the 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 the 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 Borrower, any Lender or the Administrative Agent under this Agreement.

2.04 Changes of Commitments.

(a) The aggregate amount of the Revolving Credit Commitments shall be automatically reduced to zero on the Revolving Credit Commitment Termination Date. In addition, the aggregate amount of the Revolving Credit Commitments shall be automatically reduced on each Revolving Credit Commitment Reduction Date set forth in column (A) below,

(x) by an amount (subject to reduction pursuant to paragraph (c) below) equal to the amount set forth in column (B) below opposite such Revolving Credit Commitment Reduction Date, (y) to an amount (subject to reduction pursuant to paragraph (c) below) equal to the amount set forth in column (C) below opposite such Revolving Credit Commitment Reduction Date:

(A) Revolving Credit Commitment Reduction Date Falling on or Nearest to:	(B) Revolving Credit Commitments Reduced by the Following Amounts:	(C) Revolving Credit Commitments Reduced to the Following Amounts:
March 31, 2001	$ 1,750,000	$138,250,000
June 30, 2001	$ 1,750,000	$136,500,000
September 30, 2001	$ 1,750,000	$134,750,000
December 31, 2001	$ 1,750,000	$133,000,000
March 31, 2002	$ 3,500,000	$129,500,000
June 30, 2002	$ 3,500,000	$126,000,000
September 30, 2002	$ 3,500,000	$122,500,000
December 31, 2002	$ 3,500,000	$119,000,000
March 31, 2003	$ 5,250,000	$113,750,000
June 30, 2003	$ 5,250,000	$108,500,000
September 30, 2003	$ 5,250,000	$103,250,000
December 31, 2003	$ 5,250,000	$ 98,000,000
March 31, 2004	$ 7,000,000	$ 91,000,000
June 30, 2004	$ 7,000,000	$ 84,000,000
September 30, 2004	$ 7,000,000	$ 77,000,000
December 31, 2004	$ 7,000,000	$ 70,000,000
March 31, 2005	$ 8,750,000	$ 61,250,000
June 30, 2005	$ 8,750,000	$ 52,500,000
September 30, 2005	$ 8,750,000	$ 43,750,000
December 31, 2005	$ 8,750,000	$ 35,000,000
March 31, 2006	$17,500,000	$ 17,500,000
June 30, 2006	$17,500,000	$ 0

(b) The Borrower 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 are outstanding, to terminate the

Revolving Credit Commitments, (ii) so long as no Term Loans are outstanding, to terminate the Term Loan Commitments, (iii) so long as no Incremental Facility Loans of a Series are outstanding, to terminate the Incremental Facility Commitments of such Series and (iv) to reduce the aggregate unused amount of the Revolving Credit Commitments or Incremental Facility Commitments of any Series (for which purpose use of the Revolving Credit Commitments shall be deemed to include the aggregate amount of Letter of Credit Liabilities); provided that (x) the Borrower 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) prior to the making of the initial Loans hereunder, each such reduction of Commitments shall be applied ratably to the Commitments of each Class.

(c) Each reduction in the aggregate amount of the Revolving Credit Commitments pursuant to paragraph (b) above, or pursuant to Section 2.10 hereof, on any date shall be applied to the reductions set forth in the schedule in paragraph (a) above ratably as follows: each such reduction shall result in an automatic and simultaneous reduction (but not below zero) of the respective amounts set forth in column (B) at the end of paragraph (a) above (ratably in accordance with the respective remaining amounts thereof, after giving effect to any prior reductions pursuant to this paragraph (c)), with appropriate reductions (but not below zero) being made to the respective amounts set forth in column (C) of said paragraph (a) after giving effect to such reduction of the amounts in said column (B).

(d) The aggregate amount of the Term Loan Commitments shall be automatically reduced to zero on the close of business on the Term Loan Commitment Termination Date. The aggregate amount of the Incremental Facility Commitments shall be automatically reduced to zero on the close of business on the last day of the Incremental Facility Availability Period.

(e) The Commitments once terminated or reduced may not be reinstated.

2.05 Commitment Fee. The Borrower shall pay to the Administrative Agent for 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 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 (x) at any time the then-current Rate Ratio (determined pursuant to Section 3.03 hereof) is greater than or equal to 5.50 to 1, 1/2 of 1% and (y) at any time the then-current Rate Ratio (so determined) is less than 5.50 to 1, 3/8 of 1%, provided that commitment fee for the period from and including the date hereof to but excluding the Closing Date shall be determined on the assumption that the Rate Ratio is greater than 5.50 to 1. The Borrower shall pay to the

Administrative Agent for 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 Borrower and such Incremental Facility Lender upon the allocation of the Incremental Facility Commitment of such Series to such Lender pursuant to Section 2.01(c) hereof. Accrued commitment fee shall be payable on 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 Commitment Termination Date, 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.

2.08 Loan Accounts; Promissory Notes.

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

(b) The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder to the Borrower, 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 Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder from the Borrower for the account of the Lenders and each Lender's share thereof.

(c) The entries made in the accounts maintained pursuant to paragraph (a) or (b) of this Section 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 Borrower to repay the Loans in accordance with the terms of this Agreement.

(d) Any Lender may request that Loans of any Class made by it to the Borrower be evidenced by a promissory note. In such event, such Borrower 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 Borrower 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 Borrower 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 Borrower 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);

(b) Eurodollar Loans may be prepaid or Converted at any time from time to time, provided that the Borrower 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 Term Loan shall be effected in such manner so that the Term Loans (and, to the extent that Incremental Loans are outstanding, the Incremental Loans of all Series) are concurrently prepaid ratably in accordance with the respective outstanding principal amounts thereof and the aggregate principal amount of all such concurrent prepayments is at least equal to $1,000,000 or a greater multiple of $500,000;

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

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

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 Borrower 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.

2.10 Mandatory Prepayments and Reductions of Commitments.

(a) Casualty Events. Upon the date 270 days following the receipt by the 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 the Borrower or any of its Subsidiaries (or upon such earlier date as the Borrower or such Subsidiary, as the case may be, shall have determined not to repair or replace the Property affected by such Casualty Event), the Borrower shall prepay the Loans (and/or provide cover for Letter of Credit Liabilities as specified in paragraph (g) below), and the Commitments shall be subject to automatic reduction, 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 (f) of this Section 2.10. Notwithstanding the foregoing, the Borrower shall not be required to make any prepayment (and/or provide cover for Letter of Credit Liabilities) under this paragraph (a), and the Commitments shall not be subject to automatic reduction, until the aggregate amount of the Net Available Proceeds that must be prepaid under this paragraph (a) (reduced by the amount of such Net Available Proceeds that has previously been applied to the prepayment of Loans or reduction of Commitments hereunder as a result of previous Casualty Events) is at least equal to $2,000,000.

Nothing in this paragraph (a) shall be deemed to limit any obligation of the Borrower and its Subsidiaries pursuant to the Security Agreement to remit to the Collateral Account the proceeds of insurance, condemnation award or other compensation received in respect of any Casualty Event, and the Administrative Agent shall release such proceeds to the Borrower in the manner and to the extent provided in Section 4.01 of the Security Agreement.

(b) Excess Cash Flow. Not later than the date 150 days after the end of the each fiscal year of the Borrower (or, if earlier, 30 days after the delivery of the audited financial statements for such fiscal year pursuant to Section 8.01(c) hereof), commencing with the fiscal year ending on December 31, 2000, the Borrower shall prepay the Loans (and/or provide cover for Letter of Credit Liabilities as specified in paragraph (g) below), and the Commitments shall be subject to automatic reduction, 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 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 Loans falling due in such fiscal year), such prepayment and reduction to be effected in each case in the manner and to the extent specified in paragraph (f) of this Section 2.10.

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

(d) *Sale of Assets.* Without limiting the obligation of the Borrower 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 as to which a prepayment has not yet been made under this Section 2.10(d), shall exceed $5,000,000 then, no later than five Business Days prior to the occurrence of the Current Disposition, the Borrower will deliver 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 (g) below), and the Commitments shall be subject to automatic reduction, in an aggregate amount equal to 100% of the Net Available Proceeds of the Current Disposition and such prior Dispositions, such prepayment and reduction to be effected in each case in the manner and to the extent specified in paragraph (f) of this Section 2.10.

Notwithstanding the foregoing, the Borrower 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 Borrower advises the Administrative Agent at the time the Net Available Proceeds from such Disposition are received that it intends to reinvest such Net Available Proceeds in replacement assets pursuant to an acquisition permitted under Section 8.05(d)(v) hereof so long as

(x) such Net Available Proceeds are either (i) held by the Administrative Agent in the Collateral Account pending such reinvestment, in which event the Administrative Agent 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 Borrower to the prepayment of Revolving Credit Loans hereunder (in which event the Borrower agrees 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 acquisitions under Section 8.05(d)(v) hereof),

(y) the Net Available Proceeds from any Disposition are in fact so reinvested within 270 days 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 270 days shall be forthwith applied to the prepayment of Loans and reductions of Commitments as provided above and (B) any Reserved Commitment Amount that remains so unutilized for more than 270 days shall, subject to the satisfaction of the conditions precedent to such borrowing in Section 6.02 hereof, be utilized through the borrowing by the Borrower of Revolving Credit Loans the proceeds of which shall be applied to the prepayment of Loans and reductions of Commitments as provided in paragraph (f) 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 pending reinvestment as contemplated by this sentence, together with the aggregate amount of the Reserved Commitment Amount, shall not at any time exceed $40,000,000 or such greater amount as the Majority Lenders may otherwise agree.

As contemplated by Section 4.01 of the Security Agreement, nothing in this paragraph (d) shall be deemed to obligate the Administrative Agent to release any of such proceeds from the Collateral Account to the Borrower for purposes of reinvestment as aforesaid upon the occurrence and during the continuance of any Event of Default.

(e) Retained Franchises. In the event that the Borrower receives any payment in respect of Retained Franchises pursuant to Section 9.06 of the Cablevision Acquisition Agreement, the Revolving Credit Commitments shall be subject to automatic reduction in an amount equal to such payment and, to the extent that, after giving effect to such reduction, the aggregate principal amount of Revolving Credit Loans, together with the aggregate amount of all

Letter of Credit Liabilities, would exceed the Revolving Credit Commitments, the Borrower shall, first, prepay Revolving Credit Loans and second, provide cover for Letter of Credit Liabilities as specified in paragraph (g) below, in an aggregate amount equal to such excess.

(f) Application. Prepayments and reductions of Commitments described in paragraphs (a), (b), (c) and (d) of this Section 2.10 shall be effected as follows:

(i) first, the amount of prepayment specified in such paragraphs shall be applied to the Term Loans and Incremental Facility Loans of each Series then outstanding, ratably as between the outstanding Term Loans and the outstanding Incremental Facility Loans (if any) of each Series, (x) in the case of prepayments pursuant to paragraphs (b) and (c) of this Section 2.10, to the respective installments thereof ratably in accordance with the respective principal amounts of such installments and (y) in the case of prepayments pursuant to paragraphs (a) and (d) of this Section 2.10, to the remaining installments thereof in direct order of maturity (or, in the event that the Closing Date shall not yet have occurred, the Term Loan Commitments shall be automatically reduced in an aggregate amount equal to the required prepayment); and

(ii) second, the Revolving Credit Commitments shall be automatically reduced in an amount equal to any excess over the amount referred to in the foregoing clause (i) and to the extent that, after giving effect to such reduction, the aggregate principal amount of Revolving Credit Loans, together with the aggregate amount of all Letter of Credit Liabilities, would exceed the Revolving Credit Commitments, the Borrower shall, first, prepay Revolving Credit Loans and second, provide cover for Letter of Credit Liabilities as specified in paragraph (g) below, in an aggregate amount equal to such excess.

(g) Cover for Letter of Credit Liabilities. In the event that the Borrower shall be required pursuant to this Section 2.10, to provide cover for Letter of Credit Liabilities, the Borrower 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 provided therein 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.

Section 3. Payments of Principal and Interest.

3.01 Repayment of Loans.

(a) The Borrower hereby promises to pay to the Administrative Agent for 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. In addition, if following any Revolving Credit Commitment Reduction Date the aggregate principal amount of the Revolving Credit Loans shall exceed the Revolving Credit Commitments, the Borrower shall pay Revolving Credit Loans, and provide cover for Letter of Credit Liabilities as specified in Section 2.10(g), in an aggregate amount equal to such excess.

(b) The Borrower hereby promises to pay to the Administrative Agent for account of the Term Loan Lenders the principal of the Term Loans in twenty-two consecutive quarterly installments payable on the Principal Payment Dates as follows:

Principal Payment Date	Amount of Installment ($)
March 31, 2001	$ 1,000,000
June 30, 2001	$ 1,000,000
September 30, 2001	$ 1,000,000
December 31, 2001	$ 1,000,000
March 31, 2002	$ 1,875,000
June 30, 2002	$ 1,875,000
September 30, 2002	$ 1,875,000
December 31, 2002	$ 1,875,000
March 31, 2003	$ 3,500,000
June 30, 2003	$ 3,500,000
September 30, 2003	$ 3,500,000
December 31, 2003	$ 3,500,000
March 31, 2004	$ 4,500,000
June 30, 2004	$ 4,500,000
September 30, 2004	$ 4,500,000
December 31, 2004	$ 4,500,000
March 31, 2005	$ 5,000,000
June 30, 2005	$ 5,000,000
September 30, 2005	$ 5,000,000
December 31, 2005	$ 5,000,000
March 31, 2006	$10,750,000
June 30, 2006	$10,750,000

(c) The Borrower hereby promises to pay to the Administrative Agent for account of the Incremental Facility Lenders of any Series the principal of the Incremental Facility Loans of such Series on the respective Principal Payment Dates agreed upon between the Borrower and such Incremental Facility Lenders pursuant to Section 2.10(c) hereof at the time such Lenders become obligated to make such Incremental Facility Loans hereunder.

3.02 Interest. The Borrower hereby promises to pay to the Administrative Agent for 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 Borrower promises to pay to the Administrative Agent for 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 Borrower hereunder to or for account of such Lender, that shall not be paid in full when due (whether at stated maturity, by 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 on 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 Borrower.

3.03 Determination of Applicable Margin.

(a) The Applicable Margin for the period from the Closing Date to the day prior to the first Quarterly Date occurring after the Closing Date shall be determined based upon the certificate delivered pursuant to Section 6.01(o) hereof. 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 Borrower to the Lenders and the Administrative Agent under this Section 3.03. If the Rate Ratio Certificate for any Quarterly Payment Period is delivered to the Administrative Agent 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) If the Rate Ratio Certificate for any Quarterly Payment Period is delivered by the Borrower 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) 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 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 to the Lenders pursuant to said Section 8.01 within 60 days of the end of such fiscal quarter, then, unless the Borrower 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 Borrower, 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) 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 Borrower of notice from the Administrative Agent of such increase, the Borrower shall pay to the Administrative Agent, for account of the Lenders, an amount equal to the difference between (i) the amount of interest previously paid or payable by the Borrower 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) Except to the extent otherwise provided herein, all payments of principal, interest, Reimbursement Obligations and other amounts to be made by the Borrower under this Agreement, and except to the extent otherwise provided therein, all payments to be made by the Borrower 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 Borrower, 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) 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 Borrower with such Lender (with notice to the Borrower and the Administrative Agent), provided that such Lender's failure to give such notice shall not affect the validity thereof.

(c) The Borrower shall, at the time of making each payment under this Agreement for 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 Borrower hereunder to which such payment is to be applied (and in the event that the Borrower fails 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) 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 account of any Lender shall be paid by the Administrative Agent promptly to such Lender, in immediately available funds, for account of such Lender's Applicable Lending Office for the Loan or other obligation in respect of which such payment is made.

(e) 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 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, 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, Term and Incremental Facility Loans by the Borrower shall be made for 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, Term and Incremental Facility Loans by the Borrower shall be made for 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 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 $100,000 or a larger multiple of $100,000 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 $1,000,000 or a larger multiple of $100,000 (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 Borrower 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 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:

Notice	Number of Business Days Prior
Termination or reduction of Commitments	3
Borrowing or prepayment of, or 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 Borrower fails 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 Borrower (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 Borrower) a payment to the Administrative Agent for 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 Borrower to the Lenders, the Borrower 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 Borrower 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 Borrower 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 Borrower, the Payor and the Borrower 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 Borrower of the Required Payment to the Administrative Agent shall not limit any claim the Borrower may have against the Payor in respect of such Required Payment.

4.07 Sharing of Payments, Etc.

(a) The 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 the 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 the Borrower), in which case it shall promptly notify the Borrower and the Administrative Agent thereof, provided that such Lender's failure to give such notice shall not affect the validity thereof.

(b) If any Lender shall obtain from the Borrower payment of any principal of or interest on any Loan of any Class or Letter of Credit Liability 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 of such Class or Letter of Credit Liabilities or such other amounts then due hereunder or thereunder by the 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 of such Class or Letter of Credit Liabilities 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 of such Class or Letter of Credit Liabilities 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) The 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) 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 Borrower. 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.

Section 5. Yield Protection, Etc.

5.01 Additional Costs.

(a) The Borrower 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 Borrower under this Section 5.01(a), the Borrower 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) Without limiting the effect of the foregoing provisions of this Section 5.01 (but without duplication), the Borrower 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) Each Lender shall notify the Borrower 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 Borrower 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 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 Revolving Credit Loans, the Majority Revolving Credit Lenders, if the related Loans are Term Loans, the Majority Term Loan Lenders, or if the related Loans are Incremental Facility Loans of any Series, the Majority Incremental Facility Lenders of such Series 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 Borrower 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 Borrower 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 Borrower 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 Borrower 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

(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 Borrower 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 Borrower shall pay to the Administrative Agent for 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 Borrower 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).

5.06 Additional Costs in Respect of Letters of Credit. Without limiting the obligations of the Borrower 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 Borrower shall pay immediately to the Administrative Agent for 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 Borrower shall be conclusive in the absence of manifest error as to the amount thereof.

5.07 U.S. Taxes.

(a) The Borrower agrees to pay to each Lender that is not a U.S. Person such additional amounts as are necessary in order that the net payment of any amount due to such non-U.S. Person hereunder after deduction for or withholding in respect of any U.S. Taxes imposed with respect to such payment (or in lieu thereof, payment of such U.S. Taxes by such non-U.S. Person), 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) to any payment to any Lender hereunder unless such Lender is, on the date hereof (or on the date it becomes a Lender hereunder as provided in Section 11.06(b) hereof) and on the date of any change in the Applicable Lending Office of such Lender, either entitled to submit a Form 1001 (relating to such Lender and entitling it to a complete exemption from withholding on all interest to be received by it hereunder in respect of the Loans) or a Form 4224 (relating to all interest to be received by such Lender hereunder in respect of the Loans), or

(ii) to any U.S. Taxes imposed solely by reason of the failure by such non-U.S. Person (or, if such non-U.S. Person is not the beneficial owner of the relevant Loan, such beneficial owner) to 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 non-U.S. Person (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.

For the purposes of this Section 5.06(a), (A) "Form 1001" shall mean Form 1001 (Ownership, Exemption, or Reduced Rate Certificate) of the Department of the Treasury of the United States of America and (B) "Form 4224" shall mean Form 4224 (Exemption from Withholding of Tax 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 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) 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 Borrower shall deliver to the Administrative Agent for delivery to such non-U.S. Person evidence satisfactory to such Person of such deduction, withholding or payment (as the case may be).

5.08 Replacement of Lenders. If 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 Borrower, 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 Borrower 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 Borrower hereunder the agreements of the Borrower 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 Borrower 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 January 31, 1998 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) Corporate Documents. Certified copies of each of the Operating Agreement 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 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) Opinions of Counsel to the Obligors. An opinion, dated the Closing Date, of Cooperman Levitt Winikoff Lester & Newman, P.C., counsel to the Obligors, substantially in the form of Exhibit G hereto and covering such other matters as the Administrative Agent or any Lender may reasonably request (and the Borrower hereby instructs such counsel to deliver such opinion to the Lenders and the Administrative Agent).

(d) Opinion of Special New York Counsel to Chase. An opinion, dated the Closing Date, of Milbank, Tweed, Hadley & McCloy, special New York counsel to Chase, substantially in the form of Exhibit H hereto (and Chase 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) Security Agreement. The Security Agreement, duly executed and delivered by the Borrower, each of the Subsidiaries of the Borrower in existence on the Closing Date 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 Security 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 and the Administrative Agent and the certificates (if any) evidencing the ownership interests in the Borrower held by Mediacom, accompanied by undated stock powers executed in blank. In addition, Mediacom 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. A Management Fee Subordination Agreement, duly executed and delivered by the Borrower, the Manager and the Administrative Agent.

(i) Cablevision Acquisition. Evidence that (x) Mediacom shall have assigned all of its rights to acquire the CATV Systems to be sold by the Sellers under the Cablevision Acquisition Agreement to the Borrower, (y) the Cablevision Acquisition shall have been duly consummated by the Borrower for an aggregate purchase price not exceeding $315,000,000 (subject to purchase price adjustments as set forth in the Cablevision Acquisition Agreement) in all material respects in accordance with the terms of the Cablevision Acquisition Agreement, including the schedules and exhibits thereto (and no material provision thereof shall have been waived, amended, supplemented or otherwise modified in any material respect without the consent of the Majority Lenders) and (z) Franchises covering at least 90% of the Basic Subscribers to the CATV Systems to be acquired in connection with the Cablevision Acquisition shall have been transferred by the Sellers to the Borrower; and the Administrative Agent shall have received a certificate of a Senior Officer to such effect and to the effect that attached thereto are true and complete copies of the documents delivered in connection with the closing thereunder, together with (in the case of each legal opinion delivered to the Borrower pursuant thereto) a letter 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.

(j) Release of Existing Liens. Evidence that, to the extent the assets purchased in the Cablevision 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).

(k) Capitalization. Evidence that (i) not less than $94,000,000 shall have been contributed to the Borrower as an equity contribution by Mediacom to the Borrower and (ii) the Borrower shall have received an additional $20,000,000 representing proceeds of the issuance of Preferred Membership Interests to Mediacom, in each case upon terms and conditions in form and substance satisfactory to the Majority Lenders, and the Administrative Agent shall have received copies of each of the instruments pursuant to which such equity interests and Preferred Membership Interests shall have been issued by Mediacom and the Borrower, in each case certified by a Senior Officer.

(l) Pro Forma Financial Statements. An unaudited consolidated pro forma balance sheet of the Borrower and its Subsidiaries as at the Closing Date giving effect to the Cablevision Acquisition and the initial Loans hereunder to be outstanding on the Closing Date (subject, however, to asset value adjustments based on subsequent appraisals), and a consolidated pro forma calculation of Adjusted System Cash Flow of the Borrower and its Subsidiaries for the fiscal quarter ending September 30, 1997, in each case in form and providing such details as are reasonably satisfactory to the Administrative Agent, together with a certificate of a Senior Officer stating that said balance sheet and calculation fairly present the pro forma financial condition and Adjusted System Cash Flow of the Borrower and its Subsidiaries as at such date and period, as applicable, in accordance with GAAP, after giving effect to the Cablevision Acquisition and the initial Loans hereunder to be outstanding on the Closing Date.

(m) Adjusted System Cash Flow. Evidence that the product of Adjusted System Cash Flow for the fiscal quarter ending on or most recently prior to the Closing Date times four is at least equal to $35,750,000.

(n) Approvals. Evidence of receipt of all material licenses, permits, approvals and consents, if any, required (or, in the discretion of the Administrative Agent, advisable) with respect to the Cablevision Acquisition (including, without limitation, the consents of the respective municipal franchising authorities to the acquisition of the respective CATV Systems being acquired by the Borrower pursuant to the Cablevision Acquisition) other than the Retained Franchises.

(o) Total Leverage 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 Rate Ratio as of such date.

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

The obligation of any Lender to make its initial extension of credit hereunder is also subject to the payment by the Borrower of such fees as the Borrower 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, special New York counsel to Chase, 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 Borrower).

6.02 Initial and Subsequent Extensions of Credit. The obligation of the Lenders to make any Loan or otherwise extend any credit to the Borrower 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 Borrower 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).

Each notice of borrowing or request for the issuance of a Letter of Credit by the Borrower hereunder shall constitute a certification by the Borrower to the effect set forth in the preceding sentence (both as of the date of such notice or request and, unless the Borrower otherwise notifies 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 Borrower represents and warrants to the Administrative Agent and the Lenders that:

7.01 Corporate Existence. Each of the 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 Borrower has heretofore furnished to each of the Lenders the following financial statements:

(i) the audited consolidated balance sheet of U.S. Cable for the fiscal year ended December 31, 1996, and the related consolidated statement of income for such fiscal year;

(ii) the unaudited consolidated balance sheets of U.S. Cable as at March 31, 1997, June 30, 1997 and September 30, 1997 and the related unaudited consolidated statements of income for the fiscal quarters ended on such dates; and

(iii) an unaudited pro forma consolidated balance sheet of the Borrower and its Subsidiaries as at September 30, 1997 and an unaudited pro forma consolidated statement of System Cash Flow for the fiscal quarter ended on such date, in each case prepared under the assumption that the Cablevision Acquisition was consummated on July 1, 1997 and that all of the transactions contemplated by Section 6.01 hereof had been effected on such date.

All such financial statements are complete and correct and fairly present in all material respects the actual or pro forma (as the case may be) consolidated financial condition of the respective entities as at said respective dates and the actual or pro forma (as the case may be) results of their operations for the applicable periods ended on said respective dates, all in accordance with generally accepted accounting principles and practices applied on a consistent basis. The financial statements of U.S. Cable referred to in clauses (i) and (ii) above include in the consolidation the financial position and results of operations of ECC and Missouri L.P. and do not include the financial position and results of operations of any other entity, whether or not a subsidiary of any of the Sellers, or any other CATV Systems (other than CATV Systems to be acquired pursuant to the Cablevision Acquisition, or CATV Systems covered by the Retained Franchises). As of the date hereof, there are no material contingent liabilities, liabilities for taxes, unusual forward or long-term commitments or unrealized or anticipated losses from any unfavorable commitments of U.S. Cable, ECC or Missouri L.P., or any of the CATV Systems to be acquired pursuant to the Cablevision Acquisition, except as referred to or reflected or provided for in said unaudited financial statements as at June 30, 1997.

Since September 30, 1997, there has been no material adverse change in the consolidated financial condition, operations, business or prospects (x) of the Borrower and its Subsidiaries taken as a whole from that set forth in said pro forma balance sheet as at said date referred to in clause (iii) above (other than with respect to the Retained Franchises, to the extent not transferred to the Borrower on the Closing Date), or (y) of the CATV Systems (taken as a whole) to be purchased by the Borrower on the Closing Date from that set forth in said financial statements as at said date referred to in clause (ii) above.

7.03 Litigation. 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 the Borrower) threatened against the Borrower or any of its Subsidiaries, or against the Sellers (and in respect of which the Borrower would be obligated after giving effect to the Cablevision Acquisition), that, if adversely determined could (either individually or in the aggregate) 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 Agreement, 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 the 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 the Borrower or any of its Subsidiaries pursuant to the terms of any such agreement or instrument.

7.05 Action. The Borrower has all necessary 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 the Borrower of each of the Basic Documents to which it is a party have been duly authorized by all necessary limited liability company action on its part (including, without limitation, any required member approvals); and this Agreement has been duly and validly executed and delivered by the 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 the 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 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 the 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, (ii) the authorizations, approvals, consents, filings and registrations contemplated by the Cablevision Acquisition Agreement (each of which shall have been made or obtained on or before the date the Cablevision Acquisition is consummated, to the extent required under the Cablevision Acquisition Agreement to be obtained before such date, except that orders of the FCC may not have become final under the rules and regulations of the FCC) and (iii) the exercise of remedies under the Security Documents (and the creation of a valid security interest in Franchises and the other Collateral as described in Sections 6.01(f) and 8.18 hereof) may require the 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 the 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 the Borrower would be under an obligation to furnish a report to the Lenders under Section 8.01(g) hereof.

7.08 Taxes. The 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 the 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 the Borrower in accordance with GAAP. The charges, accruals and reserves on the books of the Borrower and its Subsidiaries in respect of taxes and other governmental charges are, in the opinion of the Borrower, adequate. The Borrower has not 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. Neither the Borrower 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. Neither the Borrower 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) Part A of Schedule II hereto sets forth (i) a complete and correct list of each credit agreement, loan agreement, indenture, purchase agreement, guarantee, 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 Borrower or any of its 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) $500,000, 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 II, 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 Borrower or any of its 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.

(b) Part B of Schedule II 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) $500,000 and covering any Property of the Borrower or any of its 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 II.

7.12 Environmental Matters. The Borrower and each of its 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 the Borrower and each of 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 Borrower's knowledge, no investigation or review is pending or threatened by any governmental or other entity with respect to any alleged failure by the Borrower or any of its 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 Borrower or any of its Subsidiaries or with respect to any generation, treatment, storage, recycling, transportation, discharge or disposal, or any Release of any Hazardous Materials generated by the Borrower or any of its Subsidiaries. All environmental investigations, studies, audits, tests, reviews or other analyses conducted by or that are in the possession of the Borrower or any of its Subsidiaries in relation to facts, circumstances or conditions at or affecting any site or facility now or previously owned, operated or leased by the Borrower or any of its Subsidiaries and that could result in a Material Adverse Effect have been made available to the Lenders.

7.13 Capitalization. The Borrower has heretofore delivered to the Lenders true and complete copies of the Operating Agreement. The only member of the Borrower on the date hereof is Mediacom. As of the date hereof, except for Sections 6.2 and 7.3 of the Operating Agreement relating to Preferred Membership Interests, (x) there are no outstanding Equity Rights with respect to the Borrower and (y) except for the redemption permitted pursuant to Section 8.09(e) hereof, there are no outstanding obligations of the Borrower or any of its Subsidiaries to repurchase, redeem, or otherwise acquire any equity interests in the Borrower nor are there any outstanding obligations of the Borrower or any of its 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 the Borrower or any of its Subsidiaries.

7.14 Subsidiaries, Etc.

(a) As of the date hereof, the Borrower has no Subsidiaries.

(b) Set forth in Schedule III 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 Borrower or any of its 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 Schedule III hereto, the Borrower and each of its Subsidiaries owns, free and clear of all Liens (other than the Liens created pursuant to the Security Documents), all such Investments.

(c) None of the Subsidiaries of the Borrower is, on the date hereof, subject to any indenture, agreement, instrument or other arrangement of the type described in Section 8.18(d) hereof.

7.15 True and Complete Disclosure. The information, reports, financial statements, exhibits and schedules (including the Information Memorandum, other than the information contained therein with respect to the Sellers and Cablevision) furnished in writing by or on behalf of the Borrower 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. Nothing has come to the attention of the Borrower which would lead the Borrower to believe that the information contained in the Information Memorandum with respect to the

Sellers and Cablevision includes any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading. All written information furnished after the date hereof by the Borrower and its 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 Borrower that could 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. Set forth in Schedule IV hereto is a complete and correct list of all Franchises (identified by issuing authority, franchisee and expiration date) (i) owned by the Borrower and its Subsidiaries on the date hereof or (ii) that, with the exception of any Retained Franchises, will by owned by the Borrower on the Closing Date (after giving effect to the Cablevision Acquisition), and identifying the respective Seller from which such Franchises are to be purchased. The Borrower and each of its Subsidiaries possesses or has the right to use, or will possess or have the right to use on the Closing Date (after giving effect to the Cablevision Acquisition), all such Franchises (other than any Retained Franchises), and all copyrights, licenses, trademarks, service marks, trade names or other rights, including licenses and permits granted 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 conduct of the CATV Systems of the Borrower and its Subsidiaries, except for such of the foregoing the absence of which could not have a Material Adverse Effect on the Borrower or any of its Subsidiaries, and each of such Franchises, copyrights, licenses, patents, trademarks, service marks, trade names and rights is (or on the Closing Date will be) in full force and effect and no material default has occurred and is continuing thereunder. No approval, application, filing, registration, consent or other action of any local, state or federal authority is required to enable the Borrower or any of its Subsidiaries to operate the CATV Systems of the Borrower and its Subsidiaries, except for approvals, applications, filings, registrations, consents or other actions relating to the Retained Franchises or that (if not made or obtained) could not have a Material Adverse Effect on the Borrower or any of its Subsidiaries. Neither the Borrower or any of its Subsidiaries nor (to the knowledge of the Borrower) any of the Sellers has 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. Complete and correct copies of all Franchises have heretofore been made available to the Administrative Agent.

7.17 The CATV Systems.

(a) The Borrower and each of its Subsidiaries, and, (after giving effect to the transactions contemplated hereunder to occur on or before the Closing Date), the CATV Systems to be owned by it, are in compliance with all applicable federal, state and local laws, rules and regulations, including without limitation, the Communications Act of 1934, the Cable Communications Policy Act of 1984, the Cable Television Consumer Protection and Competition Act of 1992, the Copyright Revision Act of 1976, and the rules and regulations of the FCC and the United States Copyright Office, including, without limitation, rules and laws governing system registration, use of aeronautical frequencies and signal carriage, equal employment opportunity, cumulative leakage index testing and reporting, signal leakage, and subscriber privacy, 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 V hereto:

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

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

(iii) to the knowledge of the Borrower, such CATV Systems currently meet or exceed the technical standards set forth in the rules and regulations of the FCC, including, without limitation, the leakage limits contained in 47 C.F.R. Section 76.605(a)(11);

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

(b) To the knowledge of the Borrower, all notices, statements of account, supplements and other documents required under Section 111 of the Copyright Act of 1976 and under the rules of the Copyright Office with respect to the carriage of off-air signals by the CATV Systems (the "Copyright Filings") to be owned by the Borrower and its Subsidiaries (after giving effect to the transactions contemplated hereunder to occur on or before the Closing Date) 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 of 1976, 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 Borrower, 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) The carriage of all off-air signals by the CATV Systems to be owned by the Borrower and its Subsidiaries (after giving effect to the transactions contemplated hereunder to occur on or before the Closing Date) is permitted by valid transmission 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.

(d) The assets of the CATV Systems to be owned by the Borrower and its Subsidiaries (after giving effect to the transactions contemplated hereunder to occur on or before the Closing Date) are adequate and sufficient in all material respects for all of the current operations of such CATV Systems.

7.18 Rate Regulation. Each of the Borrower and its Subsidiaries have each reviewed and evaluated in detail the FCC rules currently in effect (the "Rate Regulation Rules") implementing the rate regulation provisions of the Cable Television Consumer Protection and Competition Act of 1992 (the "Rate Regulation Act"). Based upon such review and completion by the Borrower and its Subsidiaries of all applicable worksheets contemplated by the Rate Regulation Rules for each CATV System to be owned by the Borrower and its Subsidiaries (after giving effect to the transactions contemplated hereunder to occur on or before the Closing Date):

(i) except as set forth in Schedule V hereto, to the knowledge of the Borrower, none of such CATV Systems is subject to effective competition as of the date hereof;

(ii) except as set forth in Schedule V hereto, no franchising authority has notified the Borrower or any of its Subsidiaries or any Seller of its application to be certified to regulate rates as provided in Section 76.910 of the Rate Regulation Rules;

(iii) except as set forth in Schedule V hereto, no franchising authority has notified the Borrower or any of its Subsidiaries or any Seller that it has been certified and has adopted regulations required to commence regulation as provided in Section 76.910(c)(2) of the Rate Regulation Rules;

(iv) except as set forth in Schedule V hereto, there have been no cable programming rate complaints filed with the FCC; and

(v) no reduction of rates or refunds to subscribers is required as of the date hereof under the Rate Regulation Act and the Rate Regulation Rules applicable to the CATV Systems of the Borrower and its Subsidiaries.

7.19 Acquisition Agreement.

The Borrower has heretofore delivered to the Administrative Agent a true and complete copy of the Cablevision Acquisition Agreement (including all modifications or supplements thereto) and the Cablevision Acquisition Agreement has been duly executed and delivered by each party thereto and is in full force and effect.

Section 8. Covenants of the Borrower. The Borrower covenants and agrees 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 Borrower hereunder:

8.01 Financial Statements Etc. The Borrower shall deliver to each of the Lenders:

(a) as soon as available and in any event within 60 days after the end of the fiscal quarter ending December 31, 1997, pro forma consolidated statements of income and cash flows of the Borrower and its Subsidiaries for such period and for the period from July 1, 1997 to the end of such period, and the related pro forma consolidated balance sheet of the Borrower and its Subsidiaries as at the end of such period, in each prepared under the assumption that the Cablevision Acquisition was consummated on July 1, 1997 and that all of the transactions contemplated by Section 6.01 hereof had been effected on such date, accompanied by a certificate of a Senior Officer, which certificate shall state that said financial statements fairly present the pro forma consolidated financial condition and results of operations of the Borrower and its Subsidiaries;

(b) as soon as available and in any event within 60 days after the end of each quarterly fiscal period of each fiscal year of the Borrower ending after December 31, 1997, consolidated statements of income, retained earnings and cash flows of the Borrower and its 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 consolidated balance sheet of the Borrower and its Subsidiaries as at the end of such period, setting forth in each case (other than financial statements for any period ending prior to December 31, 1998) 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 the consolidated financial condition and results of operations of the Borrower and its 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);

(c) as soon as available and in any event within 120 days after the end of each fiscal year of the Borrower, consolidated statements of income, retained earnings and cash flows of the Borrower and its Subsidiaries for such fiscal year and the related consolidated balance sheet of the Borrower and its Subsidiaries as at the end of such fiscal year, setting forth in each case (other than financial statements for the fiscal year ending December 31, 1998) in comparative form the corresponding consolidated 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 consolidated financial statements fairly present the consolidated financial condition and results of operations of the Borrower and its Subsidiaries as at the end of, and for, such fiscal year in accordance with generally accepted accounting principles, and a statement of such accountants to the effect that, in making the examination necessary for their opinion, nothing came to their attention that caused them to believe that the Borrower was not in compliance with Sections 8.07, 8.08, 8.09, 8.10, 8.11, 8.12 or 8.15 hereof, insofar as such Sections relate to accounting matters;

(d) as soon as available and in any event not later than April 30, 1998, the audited consolidated financial statements for U.S. Cable and its consolidated Subsidiaries as of and for the year ending December 31, 1997 to be delivered by the Sellers to the Borrower pursuant to Section 9.08 of the Cablevision Acquisition Agreement;

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

(f) promptly upon the mailing thereof by the Borrower to the members of the Borrower generally, to holders of Affiliate Subordinated Indebtedness generally, or by Mediacom to the holders of its senior notes (if any), copies of all financial statements, reports and proxy statements so mailed;

(g) as soon as possible, and in any event within ten days after the 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 Borrower or its ERISA Affiliate proposes 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 Borrower 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 Borrower or an ERISA Affiliate to terminate any Plan;

(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 Borrower 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 Borrower 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 the 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 Borrower 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, would result in the loss of tax-exempt status of the trust of which such Plan is a part if the Borrower or an ERISA Affiliate fails to timely provide security to the Plan in accordance with the provisions of said Sections;

(h) within 60 days of the end of each quarterly fiscal period of the Borrower, a Quarterly Officer's Report as at the end of such period;

(i) promptly after the 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 Borrower has taken or proposes to take with respect thereto; and

(j) from time to time such other information regarding the financial condition, operations, business or prospects of the Borrower or any of its 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 Borrower will furnish to each Lender, at the time it furnishes 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 Borrower has taken or proposes to take with respect thereto) and (ii) setting forth in reasonable detail the computations necessary to determine whether the Borrower is 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(e)(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 Borrower 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 Borrower or any of its Subsidiaries or any of their Franchises, except proceedings that, if adversely determined, would not (either individually or in the aggregate) have a Material Adverse Effect. Without limiting the generality of the foregoing, the Borrower 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 Borrower or any of its 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, would not (either individually or in the aggregate) have a Material Adverse Effect and (ii) copies of any notices received by the Borrower or any of its Subsidiaries under any Franchise of a material default by the Borrower or any of its Subsidiaries in the performance of its obligations thereunder.

8.03 Existence, Etc. The 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;

(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. The Borrower will, and will cause each of its Subsidiaries to, maintain insurance with financially sound and reputable insurance companies, and with respect to Property and risks of a character usually maintained by corporations 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 the 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. The Borrower will not, nor will it permit any of it 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. The Borrower will not, 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. The Borrower will not, 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 Borrower and its Subsidiaries shall not have a fair market value in excess of $2,000,000 and (ii) any equipment, programming rights or other Property sold or disposed of in the ordinary course of business and on ordinary business terms).

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

(i) Intercompany Mergers and Consolidations. Any Subsidiary of the Borrower may be merged or consolidated with or into: (x) the Borrower if the 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 Subsidiary of the Borrower may sell, lease, transfer or otherwise dispose of any or all of its Property (upon voluntary liquidation or otherwise) to the Borrower or a Wholly Owned Subsidiary of the Borrower.

(iii) Cablevision Acquisition. The Borrower may consummate the Cablevision Acquisition, so long as the same is consummated in accordance in all material respects with the Cablevision Acquisition Agreement.

(iv) Permitted Dispositions. The Borrower or any Wholly Owned Subsidiary of the Borrower 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 the Borrower and its Subsidiaries for one or more CATV Systems owned by any other Person, which transactions may be effected either by (i) the Borrower 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 270 days 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) at the time of any such transactions and after giving effect thereto, no Default shall have occurred and be continuing and (y) with respect to any exchange of CATV Systems pursuant to clause (ii), the sum of (A) 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 plus (B) the System Cash Flow for such period attributable to all other CATV Systems previously exchanged pursuant to said clause (ii) does not exceed 20% of Adjusted System Cash Flow for such period. If, in connection with an exchange permitted under this subparagraph (iv), the Borrower or Wholly Owned Subsidiary receives cash in excess of 20% the fair market value of the acquired CATV Systems, such exchange shall be permitted as a sale under this subparagraph (iv) and the cash received by the Borrower in connection with such transaction shall be applied in accordance with Section 2.10(d).

(v) Subsequent Acquisitions. The Borrower or a Wholly Owned Subsidiary of the 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 $50,000,000;

(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 the Borrower or a Wholly Owned Subsidiary of the Borrower and, if effected by merger or consolidation involving the Borrower, the Borrower shall be the continuing or surviving entity and, if effected by merger or consolidation involving a Wholly Owned Subsidiary of the 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 the Borrower;

(D) with respect to any acquisition involving an aggregate Purchase Price in excess of $10,000,000, the Borrower shall deliver to the Administrative Agent (which shall promptly forward a copy to each Lender which requests one) (1) no later than five Business Days prior to the consummation of each such acquisition (or such earlier date as shall be 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 $10,000,000, 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 Borrower 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 $10,000,000, the Borrower 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 Borrower and its 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 (e) of Section 8.07 hereof) shall be payable on the date of such acquisition;

(H) neither the Borrower 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(e) 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 and 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 Borrower shall have complied with the provisions of Section 8.18 hereof, including, without limitation, to the extent not theretofore delivered, delivery to the Administrative Agent of (x) 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 8.18 hereof;

(K) after giving effect to such acquisition the Borrower 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 Borrower and its 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 Borrower 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 Borrower shall deliver such other documents and shall have taken such other action as the Majority Lenders or the Administrative Agent may request (which may include evidence that the Borrower shall have received an equity contribution from Mediacom or the proceeds of the issuance of Affiliate Subordinated Indebtedness pursuant to documentation and in amounts in form and substance satisfactory to the Majority Lenders and the Administrative Agent).

8.06 Limitation on Liens. The Borrower will not, 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;

(b) Liens in existence on the date hereof and listed in Part B of Schedule II hereto (or, to the extent not meeting the minimum thresholds for required listing on said

Schedule II pursuant to Section 7.11 hereof, in an aggregate amount not exceeding $5,000,000);

(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 Borrower 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 Borrower or any of its Subsidiaries; and

(h) Liens upon real and/or tangible personal Property acquired after the date hereof (by purchase, construction or otherwise) by the Borrower or any of its Subsidiaries and securing Indebtedness permitted under Section 8.07(e) 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 the 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).

8.07 Indebtedness. The Borrower will not, 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 $50,000,000;

(b) Indebtedness outstanding on the date hereof and listed in Part A of Schedule II hereto (or, to the extent not meeting the minimum thresholds for required listing on said Schedule II pursuant to Section 7.11 hereof, in an aggregate amount not exceeding $5,000,000);

(c) Affiliate Subordinated Indebtedness incurred in accordance with Section 8.14 hereof;

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

(e) additional Indebtedness of the Borrower and its 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 $10,000,000 at any one time outstanding.

In addition to the foregoing, the Borrower will not, nor will it permit its Subsidiaries to, incur or suffer to exist any obligations in an aggregate amount in excess of $5,000,000 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 Borrower and its Subsidiaries.

8.08 Investments. The Borrower will not, nor will it permit any of its Subsidiaries to, make or permit to remain outstanding any Investments except:

(a) Investments outstanding on the date hereof and identified in Schedule III hereto;

(b) operating deposit accounts with banks;

(c) Permitted Investments;

(d) Investments by the Borrower in its Subsidiaries and Investments by any Subsidiary of the Borrower in the Borrower and its other Subsidiaries;

(e) Interest Rate Protection Agreements; provided that, without limiting the obligation of the Borrower under Section 8.13 hereof, when entering into any Interest Rate Protection Agreement that at the time has, or at any time in the future may give rise to, any credit exposure, the aggregate credit exposure under all Interest Rate Protection Agreements (including the Interest Rate Protection Agreement being entered into) shall not exceed $15,000,000;

(f) Investments by the Borrower and its Subsidiaries consisting of acquisitions permitted under subparagraphs (iv) or (v) of Section 8.05(d); and

(g) additional Investments (including, without limitation, Investments by the Borrower or any of its Subsidiaries in Affiliates of the Borrower), so long as the aggregate amount of all such Investments shall not exceed $7,500,000.

Without limiting the generality of the forgoing, the Borrower will not create, or make any Investment in, any Subsidiary after the date hereof without the prior written consent of the Majority Lenders.

8.09 Restricted Payments. The Borrower 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 Borrower may make the following Restricted Payments (subject, in each case, to the applicable conditions set forth below):

(a) the Borrower may make Restricted Payments to its members on or after April 12 of each fiscal year (the "current year") in an amount equal to the Tax Payment Amount for the immediately preceding fiscal year (the "prior year"), so long as at least fifteen days prior to making any such Restricted Payment, the Borrower shall have delivered to each Lender (i) notification of the amount and proposed payment date of such Restricted Payment and (ii) a statement from the Borrower's independent certified public accountants setting forth a detailed calculation of the Tax Payment Amount for the prior year and showing the amount of such Restricted Payment and all prior Restricted Payments;

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

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

(d) the Borrower may make payments in respect of Preferred Membership Interests in an aggregate amount up to but not exceeding (prior to the issuance of the Senior Notes by Mediacom) the amount of interest payable by Mediacom on the Mediacom Notes and (following the issuance of Senior Notes by Mediacom) the amount of interest payable by Mediacom on Senior Notes having a principal amount equal to the amount of capital contributions made by Mediacom in consideration for the issuance of such Preferred Membership Interests, provided that such payments shall not include any payment in respect of, or the setting apart of money for a sinking or other analogous fund for, the purchase, redemption, retirement or other acquisition by the Borrower of, such Preferred Membership Interests or any rights related thereto; and

(e) the Borrower may make payments in respect of the principal of Affiliate Subordinated Indebtedness constituting Supplemental Capital or Cure Monies or to redeem, retire or otherwise acquire Preferred Membership Interests, so long as

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

(ii) after giving effect to such payment 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 Borrower 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 and the Total Leverage Ratio calculated on a pro forma basis is at the time less than 5.50 to 1 (or, if lower, the applicable requirement at the time under Section 8.10(a) hereof), the determination of such compliance and such Total Leverage Ratio to be determined as if (x) for purposes of calculating the Total Leverage Ratio, the amount of such payment, together with the amount of any such Capital Expenditures, were added to Indebtedness, and (y) for purposes of calculating the Interest Coverage Ratio and Pro Forma Debt Service Coverage Ratio, the amount of such payment (and any Cure Monies received during the period for which the Interest Coverage Ratio or Pro Forma Debt Service Coverage

Ratio is calculated), together with the amount of any such Capital Expenditures, 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 were recalculated to take into account such additional principal or the amount of such payment in respect of the redemption, retirement or other acquisition by the Borrower of Preferred Membership Interests; and

(iii) at least three Business Days prior to the date of any such payment, the Borrower shall have delivered to the Lenders a certificate of a Senior Officer setting forth calculations, in form and detail satisfactory to the Majority Lenders, demonstrating compliance with the requirements of this paragraph (e) after giving effect to such payment.

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

8.10 Certain Financial Covenants.

(a) Total Leverage Ratio. The Borrower 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 December 30, 1998	6.00 to 1
From December 31, 1998 through December 30, 1999	5.50 to 1
From December 31, 1999 through December 30, 2000	5.00 to 1
From December 31, 2000 through December 30, 2001	4.50 to 1
From December 31, 2001 through December 30, 2002	4.00 to 1
From December 31, 2002 through December 30, 2003	3.50 to 1
From December 31, 2003 and at all times thereafter	3.00 to 1

(b) Interest Coverage Ratio. The Borrower 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 December 30, 1998	1.50 to 1
From December 31, 1998 through December 30, 1999	1.75 to 1
From December 31, 1999 and at all times thereafter	2.00 to 1

(c) Pro Forma Debt Service Coverage Ratio. The Borrower will not permit the Pro Forma Debt Service Coverage Ratio to be less than 1.15 to 1 at any time.

8.11 Management Fees. The Borrower will not permit the aggregate amount of Management Fees accrued in respect of any fiscal year of the Borrower to exceed 4.5% of the Gross Operating Revenue of the Borrower and its Subsidiaries for such fiscal year. In addition, the Borrower 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 4.5% of the Gross Operating Revenue of the Borrower and its Subsidiaries for such portion of such fiscal year (based upon the financial statements of the Borrower provided pursuant to Section 8.01(b) hereof), provided that in any event the Borrower 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. For purposes of this Section 8.11 "Gross Operating Revenue" shall mean the aggregate gross operating revenues derived by the Borrower from its CATV Systems and from other telecommunications services as determined in accordance with GAAP excluding, however, revenue or income derived by the Borrower 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 Borrower or any of its Subsidiaries and (iv) extraordinary gains in accordance with GAAP.

Neither the Borrower nor any of its Subsidiaries shall be obligated to pay Management Fees to any Person, unless the Borrower and such Person shall have executed and delivered to the Administrative Agent a Management Fee Subordination Agreement, and neither the Borrower 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.

Neither the Borrower nor any of its 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 Borrower or any of its Subsidiaries), it being the intention of the parties hereto that all executive management personnel required in connection with the business or operations of the Borrower and its 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 Borrower will not permit the aggregate amount of Capital Expenditures to exceed the following respective amounts for the following respective fiscal years of the Borrower:

Fiscal Year Ending	Amount
December 31, 1998	$ 25,000,000
December 31, 1999	$ 25,500,000
December 31, 2000	$ 29,000,000
December 31, 2001	$ 29,500,000
December 31, 2002	$ 21,200,000
December 31, 2003	$ 18,000,000
December 31, 2004	$ 16,000,000
December 31, 2005	$ 16,000,000
December 31, 2006	$ 16,000,000,

provided that, the amounts set forth above for any fiscal year of the Borrower in which the Borrower enters into a Subsequent Acquisition pursuant to Section 8.05(d)(v) shall be increased by such amount as the Borrower shall propose in a notice to the Administrative Agent and the Lenders (which amount shall be based on a proposed budget and operating plan set forth in such notice) which increase shall become effective unless Requisite Lenders object to such amount, by notice to the Administrative Agent, within 10 Business Days following receipt of the Borrower's notice. For purposes of this Section 8.12(a), "Requisite Lenders" shall mean Lenders having at least 33-1/3% of the sum of (a) the aggregate outstanding principal amount of the Term Loans or, if the Term Loans shall not have been made, the aggregate outstanding principal amount of the Term Loan Commitments plus (b) the aggregate outstanding principal amount of the Incremental Facility Loans or, if the Incremental Facility Loans shall not have been made, the aggregate outstanding principal amount of the Incremental Facility Commitments plus (c) the sum of (i) the aggregate unused amount, if any, of the Revolving Credit Commitments at such time plus (ii) 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 Borrower 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 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 Borrower and its Subsidiaries may make additional Capital Expenditures during any fiscal quarter in such amounts as would be permitted under Section 8.09(e)(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).

8.13 Interest Rate Protection Agreements. The Borrower will within 90 days of the Closing Date, enter into, and thereafter maintain in full force and effect, one or more Interest Rate Protection Agreements with one or more of the Lenders or their affiliates (and/or with a bank or other financial institution having capital, surplus and undivided profits of at least $500,000,000), that effectively enables the Borrower (in a manner satisfactory to the Majority Lenders) to protect itself, in a manner and on terms reasonably satisfactory to the Majority Lenders, against adverse fluctuations in the three-month London interbank offered rates as to a notional principal amount at least equal to 40% of the aggregate outstanding principal amount of the Loans.

8.14 Affiliate Subordinated Indebtedness.

(a) The Borrower may at any time after the date hereof incur Affiliate Subordinated Indebtedness to Mediacom or one or more other Affiliates, so long as the proceeds of any such Affiliate Subordinated Indebtedness constituting Cure Monies are immediately applied to the reduction of the Revolving Credit Commitments and the prepayment of principal of the Term Loans and Incremental Facility Loans of each Series hereunder, applied ratably to the Revolving Credit Commitments, the Term Loans and the Incremental Facility Loans of each Series in accordance with the respective then-outstanding aggregate amounts of such Commitments and Loans (and to the simultaneous prepayment of the Revolving Credit Loans in an amount equal to such required reduction of Revolving Credit Commitments), provided that to the extent any such required prepayment of Revolving Credit Loans shall exceed the then-outstanding aggregate principal amount of Revolving Credit Loans, such excess shall be applied to the ratable prepayment of Term Loans and Incremental Facility Loans of each Series.

(b) The Borrower will not, nor will it permit any of its 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) After December 31, 1999, so long as no Default has occurred and is continuing, Preferred Membership Interests may be converted into Affiliate Subordinated Indebtedness on terms and conditions in form and substance satisfactory to the Majority Lenders.

8.15 Lines of Business. The Borrower will at all times ensure that not more than 15% of gross operating revenue of the Borrower and its 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.

8.16 Transactions with Affiliates. Except as expressly permitted by this Agreement, the Borrower will not, 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(g), provided that, the monetary or business consideration arising therefrom would be substantially as advantageous to the 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 member of the Borrower or any of its Subsidiaries in respect of income of the 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 the Borrower or any of its Subsidiaries and receive reasonable compensation for his or her services in such capacity,

(ii) the Borrower and its Subsidiaries may enter into transactions (other than extensions of credit by the 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 if the monetary or business consideration arising therefrom would be substantially as advantageous to the 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 Borrower may enter into and perform its obligations under, the Management Agreement, and

(iv) the Borrower and its Subsidiaries may pay to the Manager the aggregate amount of intercompany shared expenses payable to Mediacom that are allocated by Mediacom to the Borrower and its Subsidiaries in accordance with Section 5.05 of the Guarantee and Pledge Agreement.

8.17 Use of Proceeds. The Borrower will use the proceeds of the Loans hereunder solely to (i) provide financing for Acquisitions and to pay the fees and expenses related thereto, (ii) make Restricted Payments, (iii) pay Management Fees, (iv) make Investments permitted under Section 8.08 hereof and (v) finance capital expenditures and working capital needs of the Borrower and its Subsidiaries and acquisitions permitted hereunder (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 permitted under Section 8.05(d)(v) hereof, 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.

8.18 Certain Obligations Respecting Subsidiaries.

(a) Subsidiary Guarantors. In the event that the Borrower or any of its Subsidiaries shall form or acquire any Subsidiary after the date hereof (after obtaining any necessary consent of the Lenders), the 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 Security 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. The 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, the Borrower agrees forthwith to deliver to the Administrative Agent pursuant to the Security 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 Security Agreement.

(c) Further Assurances. The Borrower will, and will cause each of its Subsidiaries to, take such action from time to time (including filing appropriate Uniform 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 substantially all of the personal Property of the Borrower and each of its Subsidiaries.

(d) Certain Restrictions. The Borrower will not, and will not permit any of its 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 Borrower or any Subsidiary to create, incur or permit to exist any Lien upon any of its property or assets securing the obligations of the Borrower or any Subsidiary under any of the Loan Documents, or in respect of any Interest Rate Protection Agreement, or (b) the ability of any Subsidiary to pay dividends or other distributions with respect to any shares of its capital stock or to make or repay loans or advances to the Borrower or any Subsidiary or to Guarantee Indebtedness of the Borrower 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 Indebtedness and (iv) clause (a) of the foregoing shall not apply to customary provisions in leases and other contracts restricting the assignment thereof.

8.19 Modifications of Certain Documents. The Borrower will not consent to any modification, supplement or waiver of any of the provisions of the Management Agreement, any Acquisition Agreement, or any agreement, instrument or other document evidencing or relating to Affiliate Subordinated Indebtedness 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 Borrower 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 it hereunder or under any other Loan Document; or

(b) The Borrower or any Subsidiary of the Borrower shall default in the payment when due of any principal of or interest on any of its other Indebtedness aggregating $3,000,000 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 the Borrower shall default in the payment when due of any amount aggregating $3,000,000 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 $500,000 or more to become due; 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 the Borrower, or any certificate furnished to any Lender or the Administrative Agent 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 any representation or warranty made or deemed made in any Acquisition Agreement by the respective seller(s) thereunder, shall prove to have been false or misleading as of the time made or furnished in any material respect (except to the extent fully covered by amounts held on deposit pursuant to the respective escrow agreements under the relevant Acquisition Agreement); or

(d) The Borrower shall default in the performance of any of its obligations under any of Sections 8.01(i), 8.05, 8.06, 8.07, 8.08, 8.09, 8.10, 8.11, 8.12, 8.14, 8.16, 8.18 or 8.19 hereof; or the 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 Borrower 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) The Borrower shall be terminated, dissolved or liquidated (as a matter of law or otherwise), or proceedings shall be commenced by the Borrower seeking the termination, dissolution or liquidation of the Borrower, or proceedings shall be commenced by any Person (other than the Borrower) seeking the termination, dissolution or liquidation of the 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 $2,500,000 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 $10,000,000 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 Borrower or any of its 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 Borrower or relevant 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(g) 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 Borrower 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 the Borrower or any of its Subsidiaries, or any predecessor in interest of the Borrower or any of its Subsidiaries or Affiliates, of (or there shall have been asserted against the 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 the 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 the 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) Any one or more of the following events shall occur and be continuing:

(i) Rocco Commisso shall cease to be Chairman and Chief Executive Officer of the Manager;

(ii) Mediacom Management Corporation shall cease to act as Manager of the Borrower;

(iii) Mediacom shall cease to own 100% of the aggregate ownership interests in the Borrower;

(iv) any person or group (within the meaning of Rule 13d-5 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and Section 13(d) and 14(d) of the Exchange Act) other than a Commisso Entity or any entity controlled by or under common control with Chase Manhattan Capital Corporation becomes, directly or indirectly, in a single transaction or in a related series of transactions by way of merger, consolidation or other business combination or otherwise, the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act) of more than 25% of the capital stock of the Borrower on a fully-diluted basis (in other words, giving effect to the exercise of any warrants, options and conversion and other rights); or

(v) the Commisso Entities shall sell, transfer, pledge or otherwise dispose of more than 20% of the aggregate equity interests in Mediacom held by them on the date hereof; or

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

(o) The Operating Agreement shall be modified in any manner that would adversely affect the obligations of the Borrower, or the rights of the Lenders or the

Administrative Agent, hereunder or under any of the other Loan Documents (including, without limitation, in respect of any Preferred Membership Interests);

THEREUPON: (1) in the case of an Event of Default other than one referred to in clause (f) or (g) of this Section 9 with respect to the Borrower, the Administrative Agent shall, if instructed by the Majority Lenders, by notice to the Borrower, 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 Borrower 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 Borrower; and (2) in the case of the occurrence of an Event of Default referred to in clause (f) or (g) of this Section 9 with respect to the 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 Borrower 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 Borrower.

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 Borrower hereunder to be due and payable), the Borrower agrees that it 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 with respect to the Borrower, 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 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) Notwithstanding the provisions of Section 9.01 hereof, but without limiting the obligations of the Borrower under Section 8.10(a) hereof, a breach by the Borrower 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 (the "Cut-Off Date") which is the earlier of the date thirty days after (a) the date the financial statements for the Borrower and its Subsidiaries with respect to such fiscal quarter or fiscal year, as the case may be, are delivered pursuant to Section 8.01(b) or 8.01(c) hereof or (b) the latest date on which such financial statements are required to be delivered pursuant to said Section 8.01(b) or 8.01(c), *provided* that, if following the last day of such fiscal quarter or fiscal year and prior to the Cut-Off Date, the Borrower 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 8.14(a) hereof), or shall have prepaid the Loans hereunder from available cash, in an amount sufficient to bring the Borrower 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) Notwithstanding the provisions of Section 9.01 hereof, but without limiting the obligations of the Borrower under Section 8.10(b) or 8.10(c) hereof, a breach by the Borrower 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 (the "*Cut-Off Date*") which is the earlier of the date thirty days after (a) the date the financial statements for the Borrower and its Subsidiaries with respect to such fiscal quarter or fiscal year, as the case may be, are delivered pursuant to Section 8.01(b) or 8.01(c) hereof or (b) the latest date on which such financial statements are required to be delivered pursuant to said Section 8.01(b) or 8.01(c), *provided* that, if following the last day of such fiscal quarter or fiscal year and prior to the Cut-Off Date, the Borrower 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 8.14(a) hereof), or shall have prepaid the Loans hereunder from available cash, in an amount sufficient to bring the Borrower into compliance with said Section 8.10(b) or 8.10(c) assuming that the Interest Coverage Ratio and the Pro Forma 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 Pro Form 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 Borrower 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 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 Revolving Credit Lenders, the Majority Term Loan Lenders, the Majority Incremental Facility Lenders of a Series 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 Borrower 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 Revolving Credit Lenders , the Majority Term Loan Lenders or the Majority Incremental Facility Lenders of a Series, 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, the Majority Revolving Credit Lenders, the Majority Term Loan Lenders or the Majority Incremental Facility Lenders of a Series or all of the Lenders.

10.04 Rights as a Lender. With respect to its Commitments and the Loans made by it, Chase (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. Chase (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 Borrower (and any of its Subsidiaries or Affiliates) as if it were not acting as the Administrative Agent, and Chase (and any such successor) and its affiliates may accept fees and other consideration from the Borrower 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 Borrower under said Section 11.03) ratably in accordance with the aggregate principal amount of the Loans and Reimbursement Obligations held by the Lenders (or, if no Loans or Reimbursement Obligations 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 Borrower is 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 Borrower and its 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 Borrower 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 Borrower or any of its 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 Borrower or any of its 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 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 Borrower, 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 Borrower, 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 Borrower, 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 $500,000,000. 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 any collateral or otherwise terminate any Lien under any Security Document providing for collateral security, or agree to additional obligations being secured by such collateral security (unless the Lien for such additional obligations shall be junior to the Lien in favor of the other obligations secured by such Security Document, in which event the Administrative Agent may consent to such junior Lien provided that it obtains the consent of the Majority Lenders thereto), alter the relative priorities of the obligations entitled to the benefits of the Liens created under the Security Documents or release any guarantor under any Security Document from its guarantee obligations thereunder, 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 such guarantor) that is the subject of either a disposition of Property permitted hereunder or a Disposition to which the Majority Lenders have consented.

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.

The 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 the Borrower relating in any way to this Agreement whether or not commenced earlier. To the fullest extent permitted by applicable law, the Borrower 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 the 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 Borrower and the Administrative Agent, at 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 Borrower agrees 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, special New York counsel to Chase) 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 Borrower hereby agrees to indemnify the Administrative Agent and each Lender and their respective directors, officers, employees, attorneys and agents 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 Borrower or any of its 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).

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 instrument in writing signed by the Borrower and the Majority Lenders, or by the Borrower 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, unless by an instrument signed by all of the Lenders or by the Administrative Agent acting with the consent of all of the Lenders: (i) increase, or extend the term of any of the Commitments, or extend the time or waive any requirement for the reduction or termination of any of the Commitments, (ii) extend the date fixed for the payment of principal of or interest on any Loan, the Reimbursement Obligations or any fee hereunder, (iii) reduce the amount of any such payment of principal, (iv) reduce the rate at which interest is payable thereon or any fee is payable hereunder, (v) alter the manner in which payments or prepayments of principal, interest or other amounts hereunder shall be applied as between the Lenders or Classes of Loans, (vi) alter the terms of this Section 11.04, (vii) modify the definition of the term "Majority Lenders", "Majority Revolving Credit Lenders", "Majority Term Loan Lenders" or "Majority Incremental Facility 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, or (viii) waive any of the conditions precedent set forth in Section 6.01 hereof; and (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 Borrower to satisfy a condition precedent to the making of a Revolving Credit Loan or Incremental Facility Loan of any Series shall be effective against the Revolving Credit Lenders for the purposes of the Revolving Credit Commitments and Incremental Facility Commitments of such Series unless the Majority Revolving Credit Lenders or Majority Incremental Facility Lenders of such Series, as applicable, 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 Revolving Credit Lenders, Majority Term Loan Lenders or Majority Incremental Facility Lenders or the applicable Series, as the case may be, 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) The Borrower may not assign any of its rights or obligations hereunder without the prior consent of all of the Lenders and the Administrative Agent.

(b) Each Lender may assign any of its Loans, its Commitments and, if such Lender is a Revolving Credit Lender, its Letter of Credit Interest (but only with the consent of, in the case of its outstanding Commitments, the Borrower and the Administrative Agent and, in the case of the Revolving Credit Commitment or a Letter of Credit Interest, the Issuing Lender, which consents shall not be unreasonably withheld or delayed); provided that

(i) no such consent by the Borrower or the Administrative Agent shall be required in the case of any assignment to another Lender or an affiliate of a Lender;

(ii) except to the extent the Borrower and the Administrative Agent shall otherwise consent, any such partial assignment (other than to another Lender or an affiliate) shall be in an amount at least equal to $5,000,000;

(iii) each such assignment by a Lender of its Revolving Credit Loans or Revolving Credit Commitment or Letter of Credit Interest shall be made in such manner so that the same portion of its Revolving Credit Loans, Revolving Credit Commitment and Letter of Credit Interest is assigned to the respective assignee;

(iv) each such assignment by a Lender of its Term Loans or Term Loan Commitment shall be made in such manner so that the same portion of its Term Loans and Term Loan Commitment is assigned to the respective assignee;

(v) each such assignment by a Lender of its Incremental Facility Loans of any Series shall be made in such manner so that the same portion of its Incremental Facility Loans and Incremental Facility Commitment of such Series is assigned to the respective assignee; and

(vi) upon each such assignment, the assignor and assignee shall deliver to the Borrower, the Administrative Agent and the Issuing Lender an Assignment and Acceptance in the form of Exhibit A hereto and the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

Upon execution and delivery by the assignor and the assignee to the Borrower, the Administrative Agent and the Issuing Lender of such Assignment and Acceptance, and upon consent thereto by the Borrower, the Administrative Agent and the Issuing Lender to the extent required above, the assignee shall have, to the extent of such assignment (unless otherwise consented to by the Borrower, the Administrative Agent and the Issuing Lender), the obligations, rights and benefits of a Lender hereunder holding the Commitment(s), Loans and, if applicable, Letter of Credit Interest (or portions thereof) assigned to it and specified in such Assignment and Acceptance (in addition to the Commitment(s), Loans and Letter of Credit Interest, if any, theretofore held by such assignee) and the assigning Lender shall, to the extent of such assignment, be released from the Commitment(s) (or portion(s) thereof) so assigned. Upon each such assignment the assigning Lender shall pay the Administrative Agent an assignment fee of $3,500.

(c) A Lender may sell or agree to sell to one or more other Persons (each a "Participant") a participation in all or any part of any Loans or Letter of Credit Interest held by it, or in its Commitments, provided that (i) such Participant shall not have any rights or obligations under this Agreement or any other Loan Document (the Participant's rights against such Lender in respect of such participation to be those set forth in the agreements executed by such Lender in favor of the Participant) and (ii) such Lender shall promptly notify the Borrower of the sale of such participation. All amounts payable by the Borrower to any Lender under Section 5 hereof in respect of Loans and Letter of Credit Interests held by it, and its Commitments, shall be determined as if such Lender had not sold or agreed to sell any participations in such Loans, Letter of Credit Interest and Commitments, and as if such Lender were funding each of such Loan, Letter of Credit Interest and Commitments in the same way that it is funding the portion of such Loan, Letter of Credit Interest and Commitments in which no participations have been sold. In no event shall a Lender that sells a participation agree with the Participant to take or refrain from taking any action hereunder or under any other Loan Document except that such Lender may agree with the Participant that it will not, without the consent of the Participant, agree to (i) increase or extend the term of such Lender's related Commitment or extend the amount or date of any scheduled reduction of such Commitment pursuant to Section 2.04 hereof, (ii) extend the date fixed for the payment of principal of or interest on the related Loan or Loans, Reimbursement Obligations or any portion of any fee hereunder payable to the Participant, (iii) reduce the amount of any such payment of principal, (iv) reduce the rate at which interest is payable thereon, or any fee hereunder payable to the Participant, to a level below the rate at which the Participant is entitled to receive such interest or fee or (v) consent to any modification, supplement or waiver hereof or of any of the other Loan Documents to the extent that the same, under Section 10.09 or Section 11.04 hereof, requires the consent of each Lender.

(d) In addition to the assignments and participations permitted under the foregoing provisions of this Section 11.06, any Lender may (without notice to the Borrower, the Administrative Agent or any other Lender and without payment of any fee) (i) assign and pledge all or any portion of its Loans to any Federal Reserve Bank as collateral security pursuant to Regulation A and any Operating Circular issued by such Federal Reserve Lender and (ii) assign all or any portion of its rights under this Agreement and its Loans to an affiliate. No such assignment shall release the assigning Lender from its obligations hereunder.

(e) A Lender may furnish any information concerning the Borrower or any of its 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.

(f) 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 Borrower or any of its Affiliates or Subsidiaries without the prior consent of each Lender.

(g) The Administrative Agent, acting for this purpose as an agent of the Borrower, shall maintain at one of its offices in The City of New York a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amount of the Loans 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 Borrower, the Administrative Agent 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 Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(h) Upon its receipt of a duly completed Assignment and Acceptance 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) of this Section and any written consent to such assignment required by paragraph (b) above, the Administrative Agent shall accept such Assignment and Acceptance 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.

11.07 Survival. The obligations of the Borrower 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. The 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. The 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.

11.11 Waiver of Jury Trial. EACH OF THE BORROWER, 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) The Borrower acknowledges that from time to time financial advisory, investment banking and other services may be offered or provided to the Borrower or one or more of its Subsidiaries (in connection with this Agreement or otherwise) by any Lender or by one or more subsidiaries or affiliates of such Lender and the Borrower hereby authorize each Lender to share any information delivered to such Lender by the Borrower and its 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) 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, any non-public information supplied to it by any Obligor pursuant to this Agreement or any other Loan Document that is identified by the Borrower 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 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 Chase 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 or (viii) to any assignee or participant (or prospective assignee or participant) so 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.

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.

MEDIACOM SOUTHEAST LLC

By MEDIACOM LLC, a Member

By________________________________
Title: Manager

Address for Notices:

Mediacom Southeast LLC
c/o Mediacom LLC
100 Crystal Run Road
Middletown, New York 10941

Attention: Rocco B. Commisso

Telecopier No.: (914) 695-2699

Telephone No.: (914) 695-2600

Lenders

THE CHASE MANHATTAN BANK

By__________________________________
  Title:

BANK OF MONTREAL

By__________________________________
  Title:

CIBC INC.

By__________________________________
  Title:

CREDIT SUISSE FIRST BOSTON

By__________________________________
  Title:

FIRST UNION NATIONAL BANK

By_________________________________
Title:

THE CHASE MANHATTAN BANK,
as Administrative Agent

By___________________________________
Title:

Address for Notices to
Chase as Administrative Agent:

The Chase Manhattan Bank
Agent Bank Services
1 Chase Manhattan Plaza
New York, New York 10081

Telecopier No.: (212) 552-5700

Telephone No.: (212) 552-7440

SCHEDULE I

Commitments

Lender	Revolving Credit Commitment	Term Loan Commitment
The Chase Manhattan Bank	$ 48,666,666.66	$28,333,333.34
Bank of Montreal	28,000,000.00	17,000,000.00
Credit Suisse First Boston	28,000,000.00	17,000,000.00
CIBC Inc.	18,666,666.67	11,333,333.33
First Union National Bank	18,666,666.67	11,333,333.33
Total	$140,000,000.00	$85,000,000.00

EXHIBIT 10.6(b)

[EXECUTION COUNTERPART]

AMENDMENT NO. 1 TO CREDIT AGREEMENT

AMENDMENT NO. 1 TO CREDIT AGREEMENT dated as of March 24, 1998, between between MEDIACOM Southeast LLC, a Delaware limited liability company (the "Borrower"); each of the lenders that is a signatory hereto identified under the caption "LENDERS" on the signature pages hereto (each, individually, a "Lender" and, collectively, the "Lenders"); and THE CHASE MANHATTAN BANK, as administrative agent for the Lenders (in such capacity, the "Administrative Agent").

The Borrower, the Lenders and the Administrative Agent are party to a Credit Agreement dated as of January 23, 1998 (as heretofore modified and supplemented and in effect on the date hereof, the "Credit Agreement"), providing, subject to the terms and conditions thereof, for extensions of credit in an aggregate principal amount up to but not exceeding $225,000,000 (which may, in certain circumstances, be increased to $275,000,000). The Borrower, the Lenders and the Administrative wish to increase the Revolving Credit Commitments thereunder from $140,000,000 to $165,000,000, redesignate a portion of the Term Loans outstanding thereunder as Revolving Credit Loans and amend the Credit Agreement in certain other respects, and accordingly, the parties hereto hereby agree as follows:

Section 1. Definitions. Except as otherwise defined in this Amendment No. 1, terms defined in the Credit Agreement are used herein as defined therein.

Section 2. Amendments. Subject to the satisfaction of the conditions precedent specified in Section 4 below, but effective as of the date hereof, the Credit Agreement shall be amended as follows:

2.01. References in the Credit Agreement (including references to the Credit Agreement as amended hereby) to "this Agreement" (and indirect references such as "hereunder", "hereby", "herein" and "hereof") shall be deemed to be references to the Credit Agreement as amended hereby.

2.02. Section 1.01 of the Credit Agreement shall be amended by adding the following new definitions (to the extent not already included in said Section 1.01) and inserting the same in the appropriate alphabetical locations and amending in their entirety the following definitions (to the extent already included in said Section 1.01), as follows:

"Amendment No. 1" shall mean Amendment No. 1 hereto dated as of March 24, 1998 between the Borrower, the Lenders and the Administrative Agent.

"Amendment No. 1 Effective Date" shall mean the date upon which the amendments provided for in Section 2 of Amendment No. 1 hereto shall become effective.

"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 amount at any one time outstanding up to but not exceeding the amount set forth opposite the name of such Lender on Schedule 1 to Amendment No. 1 or, in the case of a Person that becomes a Revolving Credit Lender pursuant to an assignment permitted under Section 11.06(b) hereof, 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 in connection with any assignment pursuant to Section 11.06(b) hereof). The original aggregate principal amount of the Revolving Credit Commitments (after giving effect to Amendment No. 1) is $165,000,000.

"Senior Notes" shall mean, collectively, senior notes in an aggregate principal amount up to $225,000,000 to be issued by Mediacom after the Closing Date, including any notes issued by Mediacom in exchange for such senior notes.

2.03. Section 2.01 of the Credit Agreement is hereby amended by inserting a new paragraph (e) at the end thereof to read as follows:

"(e) Amendment No. 1 Effective Date. On the Amendment No. 1 Effective Date, outstanding Term Loans in an aggregate principal amount equal to $25,000,000 shall be automatically redesignated as Revolving Credit Loans hereunder."

2.04. The schedule set forth in Section 2.04(a) of the Credit Agreement is hereby amended in its entirety to read as follows:

(A) Revolving Credit Commitment Reduction Date Falling on or Nearest to:	(B) Revolving Credit Commitments Reduced by the Following Amounts:	(C) Revolving Credit Commitments Reduced to the Following Amounts:
March 31, 2001	$ 2,000,000	$163,000,000
June 30, 2001	$ 2,000,000	$161,000,000
September 30, 2001	$ 2,000,000	$159,000,000
December 31, 2001	$ 2,000,000	$157,000,000
March 31, 2002	$ 4,000,000	$153,000,000
June 30, 2002	$ 4,000,000	$149,000,000
September 30, 2002	$ 4,000,000	$145,000,000
December 31, 2002	$ 4,000,000	$141,000,000
March 31, 2003	$ 6,500,000	$134,500,000
June 30, 2003	$ 6,500,000	$128,000,000
September 30, 2003	$ 6,500,000	$121,500,000
December 31, 2003	$ 6,500,000	$115,000,000
March 31, 2004	$ 8,500,000	$106,500,000
June 30, 2004	$ 8,500,000	$ 98,000,000
September 30, 2004	$ 8,500,000	$ 89,500,000
December 31, 2004	$ 8,500,000	$ 81,000,000
March 31, 2005	$10,000,000	$ 71,000,000
June 30, 2005	$10,000,000	$ 61,000,000
September 30, 2005	$10,000,000	$ 51,000,000
December 31, 2005	$10,000,000	$ 41,000,000
March 31, 2006	$20,500,000	$ 20,500,000
June 30, 2006	$20,500,000	$ 0

2.05. The schedule set forth in Section 3.01(b) of the Credit Agreement is hereby amended in its entirety to read as follows:

Principal Payment Date	Amount of Installment ($)
March 31, 2001	$ 750,000
June 30, 2001	$ 750,000
September 30, 2001	$ 750,000
December 31, 2001	$ 750,000
March 31, 2002	$1,375,000
June 30, 2002	$1,375,000
September 30, 2002	$1,375,000
December 31, 2002	$1,375,000

March 31, 2003	$2,250,000
June 30, 2003	$2,250,000
September 30, 2003	$2,250,000
December 31, 2003	$2,250,000
March 31, 2004	$3,000,000
June 30, 2004	$3,000,000
September 30, 2004	$3,000,000
December 31, 2004	$3,000,000
March 31, 2005	$3,750,000
June 30, 2005	$3,750,000
September 30, 2005	$3,750,000
December 31, 2005	$3,750,000
March 31, 2006	$7,750,000
June 30, 2006	$7,750,000

Section 3. Representations and Warranties. The Borrower represents and warrants to the Lenders that the representations and warranties set forth in Section 7 of the Credit Agreement are true and complete on the date as if made on and as of the date hereof and (a) as if each reference in said Section 7 to "this Agreement" included reference to this Amendment No. 1 and (b) as if each reference in said Section 7 to "the date hereof" or "the Closing Date" were a reference to the "Amendment No. 1 Effective Date".

Section 4. Conditions Precedent. The effectiveness of the amendments set forth in Section 2 above is subject to the condition that this Amendment No. 1 shall have been executed and delivered by the Borrower and each Lender (and Mediacom shall have executed and delivered its confirmation and consent provided for on the signature pages hereto) on or before April 15, 1998.

Section 5. Confirmation of Security. The Borrower hereby confirms that the obligations of the Borrower under the Credit Agreement as amended by this Amendment No. 1 shall be entitled to the benefits of the collateral security provided for pursuant to the Security Agreement.

Section 6. Miscellaneous. Except as herein provided, the Credit Agreement shall remain unchanged and in full force and effect. This Amendment No. 1 may be executed in any number of counterparts, all of which taken together shall constitute one and the same amendatory instrument and any of the parties hereto may execute this Amendment No. 1 by signing any such counterpart. This Amendment No. 1 shall be governed by, and construed in accordance with, the law of the State of New York.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 1 to be duly executed and delivered as of the day and year first above written.

MEDIACOM SOUTHEAST LLC

By_________________________________
Title:

LENDERS

THE CHASE MANHATTAN BANK

By_________________________________
Title:

BANK OF MONTREAL

By_________________________________
Title:

CREDIT SUISSE FIRST BOSTON

By_________________________________
Title:

By_________________________________
Title:

CIBC INC.

By________________________________
Title:

FIRST UNION NATIONAL BANK

By________________________________
Title:

THE FIRST NATIONAL BANK OF CHICAGO

By________________________________
Title:

MELLON BANK, N.A.

By________________________________
Title:

ABN AMRO BANK N.V.

By________________________________
Title:

By________________________________
Title:

FLEET NATIONAL BANK

By_________________________________
Title:

DRESDNER BANK AG, NEW YORK AND
GRAND CAYMAN BRANCHES

By_________________________________
Title:

By_________________________________
Title:

PNC BANK, NATIONAL ASSOCIATION

By_________________________________
Title:

ADMINISTRATIVE AGENT

THE CHASE MANHATTAN BANK, as
Administrative Agent

By_________________________________
Title:

By its signature below, the undersigned hereby consents to the foregoing Amendment No. 1 and confirms that the obligations of the Borrower under said Credit Agreement as amended by said Amendment No. 1 shall constitute "Guaranteed Obligations" under the Guarantee and Pledge Agreement under and as defined in said Credit Agreement for all purposes of said Guarantee and Pledge Agreement.

MEDIACOM LLC

By:_____________________________
Rocco B. Commisso, as Manager

SCHEDULE 1
to Amendment No. 1

Revolving Credit Commitments

Lender	Revolving Credit Commitment
The Chase Manhattan Bank	$19,800,000.00
Bank of Montreal	$17,600,000.00
Credit Suisse First Boston	$17,600,000.00
CIBC, Inc.	$16,133,333.33
First Union National Bank	$16,133,333.33
The First National Bank of Chicago	$14,666,666.67
Mellon Bank, N.A.	$14,666,666.67
ABN AMRO Bank N.V.	$13,200,000.00
Fleet National Bank	$13,200,000.00
Dresdner Bank AG, New York and Grand Cayman Branches	$11,000,000.00
PNC Bank, National Association	$11,000,000.00

EXHIBIT 10.7

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ASSET PURCHASE AND SALE AGREEMENT

BY AND BETWEEN

BOOTH AMERICAN COMPANY, Seller

AND

MEDIACOM CALIFORNIA LLC, Buyer

DATED AS OF MAY 23, 1996

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TABLE OF CONTENTS

EXHIBITS
- --------

Exhibit E	Opinion of Honigman Miller Schwartz and Cohn
Exhibit F	Opinion of Dow Lohnes & Albertson
Exhibit G	Opinion of Cooperman Levitt Winikoff Lester & Newman, P.C.

SCHEDULES
- ---------

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Schedule 2.1	Excluded Assets
Schedule 4.4	Consents and Approvals: No Violation
Schedule 4.5A	Title Encumbrances
Schedule 4.6	Real Property
Schedule 4.8	Legal Proceedings
Schedule 4.9	Certain Employment and Employee Benefit Matters
Schedule 4.10	Characteristics of the System
Schedule 4.12	Tax Matters
Schedule 4.13	Equipment
Schedule 4.14 (i)	Governmental Permits
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ASSET PURCHASE AND SALE AGREEMENT

This ASSET PURCHASE AND SALE AGREEMENT (the "Agreement") is made and entered into this 23rd day of May, 1996, by and between BOOTH AMERICAN COMPANY, a Michigan corporation ("Seller"), and MEDIACOM CALIFORNIA LLC, a Delaware limited liability company ("Buyer").

R E C I T A L S:

1. Seller owns and operates a System (as hereinafter defined) in the Cities of Kernville, Wofford Heights, Lake Isabella, Bodfish, Onyx, Weldon-Kelso Valley, Belle Vista, Mt. Mesa-Squirrel Valley and South Lake of Kern County, California.

2. Seller desires to sell, and Buyer desires to purchase, the assets, property, interests, rights and privileges owned or used by Seller which comprise the System and Buyer desires to purchase and assume the same on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the promises and the respective agreements hereinafter set forth, the parties agree as follows:

ARTICLE I
DEFINITIONS

"<u>Accounts Receivable</u>" shall mean, as of the Closing Date, Basic Subscriber and Bulk Subscriber accounts receivable of Seller, determined in accordance with GAAP, representing amounts owed to Seller in connection with its operation of the System in the ordinary course of business.

"<u>Affiliate</u>" shall mean, with respect to any Person, any other Person controlling, controlled by or under common control with such Person, with "control" for such purpose meaning the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities or voting interests, by contract or otherwise.

"<u>Assets</u>" shall mean all properties, privileges, rights, interests and claims, real and personal, tangible and intangible and mixed, of every type and description that are owned, leased, used or held for use in the Business in which Seller has any right, title or interest or in which Seller acquires any right, title or interest on or before the Closing Date, including but not limited to Accounts Receivable, Governmental Permits, Intangibles, Contracts, Equipment, and Real Property, but excluding any Excluded Assets and any Assets disposed of by Seller as permitted by this Agreement.

"Basic Subscribers" shall mean accounts in a single residential household (excluding "second connections," as such term is commonly understood in the cable television industry, any account duplication and any account which has a disconnect request pending at or which has had service terminated as of the applicable determination date) that are subscribing for at least the lowest level of basic or limited basic cable television services provided by the System. Notwithstanding anything herein to the contrary, "Basic Subscribers" shall not include any subscriber (i) who has not paid all billed charges, including deposit and installation charges (due in connection with such subscriber's initially obtaining cable television service from the System), for at least sixty days prior to the applicable determination date, (ii) whose account as of the applicable determination date is more than sixty days past due from the date on which any part of such account was first due, (iii) who has been obtained as a subscriber by offers made, promotions conducted or discounts given outside the ordinary course of business or (iv) who comes within the definition of Basic Subscriber because its account (or any part thereof) has been compromised or written off, other than in the ordinary course of business consistent with past practices for reasons such as service interruptions and waiver of late charges but not for the purpose of making a person qualify as a Basic Subscriber.

"Bulk Subscriber" shall mean each bulk subscriber (as such term is commonly understood in the cable television industry, such as trailer parks, apartments, hotels, motels or other multiple dwelling units and commercial subscribers) of the System.

"Bulk Units" shall mean with respect to each Bulk Subscriber, the number of units of each such Bulk Subscriber receiving at least the lowest level of basic or limited basic cable television service provided by the System (excluding "second connections", as such term is commonly understood in the cable television industry, and any account duplication); provided, that Bulk Units shall not include any units of any Bulk Subscriber if such Bulk Subscriber (i) is a Basic Subscriber pursuant to the "Basic Subscriber" definition; (ii) has given notice on or before the Closing Date of its intention to terminate service completely or who has had its service terminated by Seller on or before the Closing Date; or (iii) is or would be excluded from the definition of "Basic Subscribers" pursuant to clauses (i) - (iv) thereof.

"Business" shall mean the cable television business conducted by Seller through the System in the Franchise Areas.

"Business Day" shall mean any day other than Saturday, Sunday or a day
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on which banking institutions in New York, New York are required or authorized to be closed.

"Closing" shall mean the consummation of the transactions contemplated
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by this Agreement, as described in Article III.

"Closing Adjustments" shall have the meaning set forth in Section
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2.4A.

"Closing Date" shall have the meaning set forth in Section 3.1.

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

"Communications Act" shall mean the Communications Act of 1934, as
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amended, and the rules and regulations thereunder as from time to time in effect.

"Confidential Parties" shall have the meaning set forth in Section
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6.14.

"Consents" shall mean any registration or filing with, consent or
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approval of, notice to, or action by any Person or Governmental Authority required to permit the transfer of the Assets to Buyer or to permit Seller to perform any of its other obligations under this Agreement, as set forth on Schedule 4.20.
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"Contracts" shall mean all contracts, agreements and leases (other
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than those that are Governmental Permits or Excluded Assets), to which Seller is a party and that pertain to the ownership, operation or maintenance of the Assets or the Business. Each such Contract which involves payments by or to Seller of $10,000 or more during any twelve-month period or which are not terminable upon thirty (30) days or less notice by or to Seller without penalty or premium are set forth on Schedule 4.14 (ii), provided, however, that all the
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programming contracts of the System are set forth therein.

"Copyright Act" shall mean the Copyright Revision Act of 1976, as
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amended.

"Cut-Off Date" shall mean the applicable determination date used by
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Seller to determine the number of Basic Subscribers in the applicable month, which date normally occurs around the twenty-fifth (25th) day of the month.

"Encumbrance" shall mean any mortgage, lien, security interest,
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security agreement, conditional sale or other title retention agreement, lease, consignment or bailment given for security purposes, limitation, pledge, option, charge, assessment,

restrictive agreement, restriction, encumbrance, adverse interest, trust, constructive trust, attachment, claim, restriction on transfer or any exception to or defect in title or other ownership interest (including but not limited to reservations, rights of way, possibilities of reverter, encroachments, easements, rights of entry, restrictive covenants, leases and licenses).

"Equipment" shall mean all electronic devices, trunk and distribution coaxial and optical fiber cable, amplifiers, power supplies, conduit, vaults and pedestals, grounding and pole hardware, subscribers' devices (including converters, encoders, transformers behind television sets and fittings), headend hardware (including origination, earth stations, transmission and distribution systems), test equipment, vehicles and all other tangible personal property owned, used or held for use by Seller in connection with the Business, and including but not limited to the items described on Schedule 4.13.

"Escrow Agent" shall be The Chase Manhattan Bank (National Association).

"Escrow Agreement" shall mean the Escrow Agreement among Buyer, Seller and Escrow Agent, substantially in the form annexed hereto as Exhibit A.

"ERISA" shall mean The Employee Retirement Income Security Act of 1974, as amended.

"Excluded Assets" shall have the meaning set forth in Section 2.1.

"FCC" shall mean the Federal Communications Commission.

"Forms 394" shall have the meaning set forth in Section 6.10.

"Four Month Basic Subscribers Average" shall mean the number obtained by dividing (a) the sum of the number of Basic Subscribers as of the Cut-Off Date for each of the four calendar months immediately preceding the Closing Date by (b) four. If the Closing Date occurs on or after the Cut-Off Date of the month in which the Closing occurs, the number calculated in (a) above shall be determined by calculating the sum of (i) the number of Basic Subscribers as of the Cut-Off Date for each of the three calendar months immediately preceding the Closing Date and (ii) the number of Basic Subscribers as of the Cut-Off Date of the month in which the Closing Date occurs.

"Franchise Area" shall mean that area in which Seller is authorized under one or more Governmental Permits issued by the applicable franchising or licensing authorities to provide cable television service to subscribers located in such area through the ownership and operation of the System, as set forth on Schedule 1.1.

"GAAP" shall mean generally accepted accounting principles as in effect in the United States of America.

"Governmental Authority" shall mean any of the following: (a) the United States of America; (b) any state, commonwealth, territory or possession of the United States of America and any political subdivision thereof (including counties, municipalities and the like); and (c) any agency, authority or instrumentality of any of the foregoing, including any court, tribunal, department, bureau, commission or board.

"Governmental Permits" shall mean all franchises, authorizations, permits, licenses, easements, registrations, leases, variances and similar rights obtained from any Governmental Authority which authorize or are required in connection with the operation of the Business, as set forth on Schedule 4.14(i).

"HSR Act" shall have the meaning set forth in Section 6.5.

"Information" shall have the meaning set forth in Section 6.13.

"Intangibles" shall mean all general intangibles, including but not limited to subscriber lists, claims (excluding any claims relating to Excluded Assets), patents, copyrights and goodwill, if any, owned, used or held for use by Seller in connection with the Business, other than Contracts and Governmental Permits.

"Legal Requirement" shall mean any statute, ordinance, code, law, rule, regulation, order or other requirement, standard or procedure enacted, adopted or applied by any Governmental Authority, including but not limited to judicial decisions applying common law or interpreting any other Legal Requirement.

"Monthly Financial Statements" shall have the meaning set forth in Section 6.12.

"1995 Financial Statements" shall have the meaning set forth in Section 4.7A.

"Permitted Encumbrances" shall mean the following: (a) liens for taxes, assessments and governmental charges not yet due and payable; (b) zoning laws and ordinances and similar Legal Requirements; (c) rights reserved to any Governmental Authority to regulate the affected property; (d) as to leased Real Property, interests of lessors and Encumbrances affecting the interests of the lessors; (e) the Encumbrances imposed by the Governmental

Permits listed on Schedule 4.14(i); (f) the other Encumbrances listed on Schedule 4.5A; and (g) other Encumbrances which do not, individually or in the aggregate, have a material adverse effect on the title, use, operation or value of the System or any material Asset.

"Person" shall mean any natural person, corporation, partnership, trust, unincorporated organization, association, limited liability company, Governmental Authority or other entity.

"Post-Closing Adjustments" shall have the meaning set forth in Section 2.4B.

"Preliminary Title Reports" shall mean a commitment for an ALTA 1987/1992 owner's policy for title insurance with respect to the real estate owned by Seller and its Affiliates which will be conveyed to Buyer pursuant to the terms of this Agreement, committing such title company to insure good and marketable title to said land, free and clear of all Encumbrances (other than Permitted Encumbrances).

"Purchase Price" shall mean the sum to be paid by Buyer for the Assets in the amount of Eleven Million Fifty Thousand Dollars ($11,050,000), as adjusted in accordance with the terms hereof.

"Rate Regulation Rules" shall mean the FCC rules currently in effect implementing the cable television rate regulation provisions of the Communications Act.

"Real Property" shall mean all Assets consisting of interests in real property (including but not limited to, to the extent applicable, improvements, fixtures and appurtenances), including both fee and leasehold interests, as set forth on Schedule 4.6.

"Required Consents" shall mean the Consents designated as such on Schedule 4.20 by an "R."

"Senior Subordinated Loan Agreement" shall mean the Senior Subordinated Loan Agreement, dated the Closing Date, between Buyer and Seller, in the form annexed hereto as Exhibit B.

"Senior Subordinated Note" shall mean the Senior Subordinated Note, dated the Closing Date, issued by Buyer to Seller in the original principal amount of $2,800,000 in the form of Exhibit A to the Senior Subordinated Loan Agreement.

"Study" shall mean a Phase I environmental study of all the land leased by Seller and its Affiliates under the leases which will be transferred to Buyer pursuant to this Agreement.

"Subscriber Adjustment" shall have the meaning set forth in Section 2.4A.

"Subscription Agreement" shall mean the agreement whereby Seller shall invest $1,000,000 in Mediacom LLC in consideration for a ten percent (10%) membership interest therein, in the form annexed hereto as Exhibit C.

"System" shall mean the cable television reception and distribution systems operated in the conduct of the Business, consisting of one or more headends, subscriber drops and associated electronic and other equipment which are, or are capable of being, operated as an independent system without interconnection with other systems, and which provide cable television service to the respective Franchise Area set forth on Schedule 1.1.

"Tax Return" shall mean any return, report, information return or other document (including any related or supporting information) filed or required to be filed with any taxing authority in connection with the determination, assessment, collection, administration or imposition of any Taxes.

"Taxes" shall mean all taxes, charges, fees, liens, levies, charges, imposts, duties, withholdings or other assessments, including, without limitation, income, withholding, capital, excise, employment, occupancy, property, ad valorem, sales, transfer, recording, documentary, registration, motor vehicle, franchise, use and gross receipts taxes, imposed by the United States or any state, county, local or foreign government or any subdivision thereof. Such term shall also include any interest, penalties, fines or additions attributable to such assessments.

"Taxing Authority" shall mean any Federal, state, local or foreign governmental body or political subdivision with the power to impose Taxes.

"Transaction Documents" shall mean this Agreement, the Senior Subordinated Loan Agreement, the Senior Subordinated Note, the Subscription Agreement and each other instrument, document, certificate and agreement required or contemplated to be executed and delivered hereunder and thereunder.

"WARN Act" shall mean the Worker Adjustment and Retraining Notification Act.

ARTICLE II

SALE AND PURCHASE OF ASSETS

2.1 Sale and Purchase of Assets. Subject to the terms and conditions hereof, on the Closing Date, Seller agrees to sell, transfer, convey, assign and deliver to Buyer, and Buyer agrees to purchase, good title, free and clear of Encumbrances (other than Permitted Encumbrances), to the Assets, in consideration of the payment by Buyer to the Seller of the Purchase Price. Notwithstanding the foregoing, the Assets shall exclude the assets set forth on Schedule 2.1 (the "Excluded Assets").

2.2 Assumption of Liabilities. Upon the terms and subject to the conditions of this Agreement, from and after the Closing Date, Buyer shall assume and pay, perform and discharge, and indemnify and hold Seller harmless from and against, the following liabilities, obligations and commitments of Seller relating to the System, contingent or otherwise, asserted or unasserted, matured or unmatured, and no others:

A. Obligations to operate and maintain the System to Persons entitled to receive such service from the System, to the extent so entitled, if at all, under applicable franchises, ordinances, leases and agreements disclosed herein.

B. All of Seller's obligations and commitments arising on and after the Closing Date under the Contracts and Governmental Permits, it being understood that obligations for the period prior to the Closing Date shall be the obligation of Seller and adjusted on and after the Closing Date pursuant to Section 2.4.

Anything herein to the contrary notwithstanding, there is excluded from the assumed obligations, and Seller hereby agrees to retain and discharge and to indemnify and hold harmless Buyer from and against, any and all liabilities of Seller not expressly assumed by Buyer pursuant to the terms hereof, including, without limitation, all obligations pursuant to lease agreements with respect to any of the Equipment, all obligations of Seller arising prior to the Closing Date, obligations of Seller arising either before or after the Closing Date with respect to matters either unrelated to the System, or related to the System and not delivered or disclosed to Buyer in the Transaction Documents, and indebtedness for money borrowed and obligations to Seller's stockholders, partners, officers, directors, attorneys and accountants, and obligations of Seller for Taxes.

2.3 Payment of Purchase Price. The Purchase Price to be paid for the Assets shall, subject to the terms and conditions contained herein, be paid by Buyer as follows:

A. On the Closing Date, the sum of Eight Million Two Hundred Fifty Thousand Dollars ($8,250,000) plus or minus any amount as necessary to reflect the Closing Adjustments pursuant to Section 2.4, shall be payable to Seller by wire transfer in clearinghouse funds available and credited to the account of Seller pursuant to the wire instructions to be delivered by Seller to Buyer no later than three (3) Business Days prior to the Closing Date; and

B. On the Closing Date, there shall be delivered to Seller the Senior Subordinated Note.

2.4 Purchase Price Adjustments. The Purchase Price to be paid pursuant to Section 2.3A hereof shall be adjusted and the charges identified below relating to the operation of the System shall be apportioned so that Seller and Buyer shall bear responsibility and be entitled to benefit as set forth in this Agreement. Operation of the System until 11:59 p.m. of the day immediately preceding the Closing Date shall be for the account of Seller and thereafter for the account of Buyer. All revenues (including, but not limited to, subscriber prepayments) and all expenses of the System shall be prorated as of the Closing Date and adjusted as provided herein.

A. At Closing. No later than fifteen (15) calendar days prior to the Closing Date, Seller shall deliver to Buyer Seller's certificate estimated as of the Closing Date ("Closing Adjustments") setting forth the Four Month Basic Subscribers Average, and the number of Bulk Units and all adjustments proposed to be made at the Closing as of the Closing Date. The Closing Adjustments shall include, without limitation, the Subscriber Adjustment, prepaid subscriptions, rents, franchise fees, utilities, service contracts, vehicle and other lease payments and other prepaid and periodic obligations with respect to the Assets purchased hereunder. Prior to Closing, Seller shall provide Buyer or Buyer's representative with copies of all books and records as Buyer may reasonably request for purposes of verifying the Closing Adjustments and shall meet with Buyer's accountants and other representatives, but without limiting Seller's obligations hereunder to certify all the Closing Adjustments.

At the Closing, all adjustments will be made on the basis of Seller's certificate, provided Buyer has not given notice to Seller that, in Buyer's opinion, the proposed adjustments are materially incorrect. If Buyer gives notice that in its opinion, the proposed adjustments are materially incorrect, and if the parties have not been able to resolve the matter prior to the Closing Date, any disputed amounts shall be paid by the party to be charged with a disputed adjustment, into escrow, and shall be held by the Escrow Agent in accordance with the Escrow Agreement until the matter is resolved.

The Purchase Price shall be reduced by an amount equal to the sum of (a) $1,650 multiplied by the number by which the Four Month Basic Subscribers Average is less than 6,430 and (b) $750 multiplied by the number by which the number of Bulk Units is less than 390 at the Closing Date (the "Subscriber Adjustment").

B. Post-Closing Adjustment. As soon as practicable following the Closing Date, and in any event within one hundred twenty (120) days thereafter, or at such other time as the parties mutually agree, Buyer shall deliver to Seller Buyer's certificate setting forth as of the Closing Date ("Post-Closing Adjustments") the Four Month Basic Subscribers Average, the number of Bulk Units, and all Post-Closing Adjustments for amounts due on account of Seller and charges and other obligations payable on account of Seller. Buyer shall deliver to Seller or Seller's representatives copies of all books and records as Seller may reasonably request for purposes of verifying such adjustments. Buyer's certificate shall be final and conclusive unless objected to by Seller in writing within thirty (30) days after delivery. Seller and Buyer shall attempt jointly to reach agreement as to the amount of the Closing Adjustments within sixty (60) days after receipt by Buyer of such written objection by Seller, which agreement, if achieved, shall be binding upon both parties to this Agreement and not subject to dispute or review. If Seller and Buyer cannot reach agreement as to the amount of the Closing Adjustments within such sixty (60) day period, Seller and Buyer agree to submit promptly any disputed adjustment to Ernst & Young. All fees and expenses of Ernst & Young pursuant to this Section shall be paid one-half by Buyer and one-half by Seller. Any amounts due Buyer or Seller for Post-Closing Adjustments shall be paid by the party owing such amount (or, to the extent disputed amounts are held by the Escrow Agent, shall be paid by the Escrow Agent pursuant to joint written instructions of Buyer and Seller in accordance with such final resolution) not later than five (5) Business Days after such amounts shall have become final and conclusive.

2.5 Expenses; Sales and Transfer Taxes. Whether or not the transactions contemplated by this Agreement shall be consummated, Seller and Buyer shall pay their own expenses (including, without limitation, attorneys and accountants fees and disbursements) incident to this Agreement and the transactions contemplated hereby. Notwithstanding the foregoing, Seller shall bear and pay all transfer, sales, purchase, use or similar taxes arising out of the transactions contemplated by this Agreement and any filing or recording or similar fees payable in connection with any instruments contained herein.

2.6 Brokerage. The parties acknowledge that Waller Capital Corporation acted as a broker in this transaction and will be compensated by Seller pursuant to a separate agreement between Seller and Waller Capital Corporation. Other than as set forth in the preceding sentence, each party hereto represents and warrants to the other party hereto that it has not incurred any obligation or liability, contingent or otherwise, for brokerage or finders' fees or agents' commissions or other like payment in connection with this Agreement or the transactions contemplated hereby, and each party hereto agrees to indemnify and hold the other party hereto harmless against and in respect to any such obligation or liability based in an way on any agreement, arrangement or understanding claimed to have been made by such party with any third party.

2.7 Allocation of Purchase Price. The Purchase Price shall be allocated among the assets as determined by Kane Reece Associates, Inc. prior to the Closing. All fees and expenses of Kane Reece Associates, Inc. shall be paid by Buyer.

ARTICLE III
CLOSING DATE;
CERTAIN TRANSACTIONS TO BE EFFECTED AT CLOSING

3.1 Closing Date.

A. The Closing shall occur at 10:00 A.M. eastern standard time on July 31, 1996, or such earlier or later date (the "Closing Date") established in accordance with this Agreement, at the offices of Cooperman Levitt Winikoff Lester & Newman, P.C., 800 Third Avenue, New York, New York 10022.

B. If at any time prior to the scheduled Closing Date, all of the conditions contained in Articles VII and VIII have been met or waived, Buyer may give notice to Seller of the Closing. Such notice shall state a date and time, not less than ten Business Days from the date of such notice, for the Closing to occur.

C. If on July 31, 1996, all of the conditions contained in Articles VII and VIII have not been met or waived, then the Closing shall be deferred until all such conditions have been met or waived but not to a date later than September 15, 1996. Upon the last of the conditions being so met or waived, Seller or Buyer may give notice to the other of the Closing, which notice shall state a date and time, not less than ten business days from the date of such notice, for the Closing to occur. The parties will use their best efforts to close on, or as close as possible after, a Cut-Off Date.

3.2 Certain Transactions to be Effected at Closing. Subject in each case to the terms and conditions contained in this Agreement, the following steps shall be taken concurrently at the Closing, except as otherwise expressly stated:

A. Seller shall execute and/or deliver, or cause to be executed and/or delivered, to Buyer the following:

(i) Seller's certificate setting forth the Four Month Basic Subscribers Average and computation thereof, and the number of Bulk Units as of the Closing Date;

(ii) The favorable opinions dated as of the Closing Date as set forth in Section 7.8 hereof;

(iii) All such instruments and documents including instruments of conveyance and do such other acts and things as

Buyer may reasonably request in order to convey good and marketable title to, and possession of, the Assets, free and clear of any Encumbrances, excepting only the Permitted Encumbrances, and otherwise effectuate the transactions contemplated by this Agreement;

(iv) Seller's Certificate as to the fulfillment of the conditions set forth in Sections 7.2, 7.3, 7.4, 7.5 and 7.10;

(v) A counterpart to the Escrow Agreement, if applicable;

(vi) A wire transfer to Mediacom LLC of one million dollars ($1,000,000) in consideration for a 10% membership interest in Mediacom LLC;

(vii) A counterpart to the Subscription Agreement;

(viii) A counterpart to the Senior Subordinated Loan Agreement;

(ix) Executed Confidentiality and Non-Compete Agreements from Ralph H. Booth, II and John L. Booth, II;

(x) A certificate as of a recent date from the appropriate office of the state of organization of Seller as to the good standing of Seller;

(xi) Resolutions of the Board of Directors of Seller duly authorizing the execution, delivery and performance of this Agreement; and

(xii) Such further instruments and documents and do such other acts and things as Buyer may reasonably request in order to effectuate the transactions contemplated by this Agreement.

B. Buyer shall execute and/or deliver, or cause to be executed and/or delivered, to Seller the following:

(i) By wire transfer, the cash portion of the Purchase Price after adjustments, less any amount deposited into escrow pursuant to Section 2.4A;

(ii) The Senior Subordinated Note;

(iii) By wire transfer to the Escrow Agent, the amount, if any, deposited into escrow pursuant to Section 2.4A;

(iv) A counterpart to the Escrow Agreement, if applicable;

(v) A counterpart to the Subscription Agreement;

(vi) A counterpart to the Senior Subordinated Loan Agreement;

(vii) The favorable opinion dated as of the Closing Date as set forth in Section 8.5 hereof;

(viii) Buyer's certificate as to the fulfillment of the conditions set forth in Sections 8.2, 8.3 and 8.4;

(ix) Resolutions of a manager of Buyer duly authorizing the execution, delivery and performance of this Agreement and evidence of such manager's authority to act on behalf of Buyer; and

(x) Such further instruments and documents and do such other acts and things as Seller may reasonably request in order to effectuate the transactions contemplated by this Agreement.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Buyer, which representations and warranties, together with all other representations and warranties of Seller in this Agreement, shall be true and correct as of the Closing Date as if expressly restated on said date, and shall survive the Closing Date:

4.1 Organization and Qualification. Seller is a corporation, duly organized, validly existing and in good standing under the laws of the State of Michigan. Seller has all requisite power and authority to own, lease and use the Assets as they are currently owned, leased and used and to conduct the Business as it is currently conducted. Seller is duly qualified or licensed to do business and is in good standing under the laws of each jurisdiction where the Assets owned by Seller are located and the Business of Seller is conducted, except any such jurisdiction where the failure to be so qualified or licensed and in good standing would not have a material adverse effect on any of the Assets, the System or the Business, on the validity, binding effect or enforceability of this Agreement and each other Transaction Document to which Seller is a party, or on the ability of Seller to perform its obligations under this Agreement and each other Transaction Document to which it is a party.

4.2 Business of Seller. Seller has not conducted the Business through, and none of the Assets are held or owned by, any subsidiary, Affiliate or other entities.

4.3 Authority and Validity. Seller has full corporate power and authority to execute and deliver this Agreement and each other Transaction Document to which it is a party and to consummate the transactions contemplated by this Agreement and each other

Transaction Document to which it is a party. The execution and delivery of this Agreement and each other Transaction Document to which Seller is a party and the consummation by Seller of the transactions contemplated by this Agreement and each other Transaction Document to which it is a party have been duly and validly authorized by all necessary action on the part of Seller. This Agreement has been, and each of the other Transaction Documents to which Seller is a party will be on or prior to the Closing, duly and validly executed and delivered by Seller, and this Agreement and each of the other Transaction Documents to which Seller is a party constitute and will constitute on or prior to the Closing, a valid and binding obligation of Seller, enforceable against Seller in accordance with their respective terms.

4.4 Consents and Approvals: No Violation.

A. Except for (i) the Consents and (ii) filings, waivers, approvals, actions, authorizations, qualifications and consents which, if not made or obtained, would not, individually or in the aggregate, have a material adverse effect on the Assets, the System, the Business, Seller's ability to perform its obligations under this Agreement or the other Transaction Documents to which it is a party or, to the best of Seller's knowledge, Buyer's ability to conduct the Business after the Closing in substantially the same manner in which it is currently conducted by Seller, no consent, waiver, approval, action or authorization of, or filing, registration or qualification with, any Governmental Authority is required to be made or obtained by Seller in connection with the execution, delivery and performance of this Agreement or the other Transaction Documents to which it is a party.

B. Except for the Consents and filings covered by the exceptions in clauses (i) and (ii) of Section 4.4A and as set forth on Schedule 4.4, the execution, delivery and performance by Seller of this Agreement and each other Transaction Document to which it is a party do not and will not: (i) violate or conflict with any provision of Seller's articles of incorporation or by-laws; (ii) violate any Legal Requirement; or (iii) (A) violate, conflict with, or constitute a breach of or default under (without regard to requirements of notice, passage of time or elections of any Person), (B) permit or result in the termination, suspension or modification of, (C) result in the acceleration of (or give any Person the right to accelerate) the performance of Seller under, or (D) result in the creation or imposition of any Encumbrance under, any Contract or any other instrument evidencing any of the Assets or any instrument or other agreement to which Seller is a party or by which Seller or any of the Assets is bound or affected, except such violations, conflicts, breaches, defaults, terminations, suspensions, modifications, and accelerations referenced in clauses (ii) and (iii) above which would not, individually or in the aggregate, have a material adverse effect on the Assets, the System, the Business, or Seller's ability to perform its obligations under this Agreement or the other Transaction Documents to which it is a party or, to the best of Seller's knowledge, Buyer's ability to conduct the Business after the Closing in substantially the same manner in which it is currently conducted by Seller.

4.5 Title.

A. At Closing, Seller will transfer the Assets to Buyer, free and clear of any Encumbrances, except Permitted Encumbrances. Except as set forth on Schedule 4.5A, Seller has not signed any Uniform Commercial Code financing statement or any security agreement or mortgage or similar agreement authorizing any Person to file any financing statement or claim any security interest or lien with respect to any of the Assets. Except as set forth on Schedule 4.5A, Seller owns all tangible personal properties which are necessary to permit the operation of the System by Buyer in substantially the same manner as currently operated and all such properties are included within the Assets free and clear of all Encumbrances.

B. Seller has no properties or assets used or held for use in the Business that are not included in the Assets, other than the Excluded Assets; and (ii) except for the Excluded Assets, the Assets to be transferred to Buyer at the Closing include all Equipment, Contracts, Governmental Permits and other property and assets necessary for the conduct of the Business in the ordinary course of business in substantially the same manner as conducted prior to the Closing Date.

4.6 Real Property. Schedule 4.6 sets forth a list and description of all Real Property owned, leased, occupied or used by Seller in the Business, and is true, complete and accurate in all material respects. No Real Property used in connection with the Business is owned by Seller or any of its Affiliates. Seller is holding, or shall hold at Closing, the leasehold interests to all Real Property, including Real Property hereafter acquired, in each case free and clear of any Encumbrances, except for Permitted Encumbrances. At the Closing, Seller shall have and shall transfer to Buyer its leasehold interests in and to all the Real Property free and clear of any and all Encumbrances (except for Permitted Encumbrances). There are no pending or, to the best of Seller's knowledge, threatened, any condemnation actions or special assessments or any pending proceedings for changes in the zoning with respect to such Real Property or any part thereof and Seller has not received any notice of the desire of any public authority or other entity to take or use any Real Property or any part thereof. All structures on the Real Property are structurally sound and in good operating condition and repair (reasonable wear and tear excepted). Each parcel of Real Property has access (either direct or by an easement included among the Assets) to all public roads, utilities, and other services necessary for the operation of the relevant System with respect to such parcel. Seller has complied with, or otherwise resolved to the satisfaction of the relevant Government Authority, all notices or orders to correct violations of Legal Requirements issued by any Governmental Authority having jurisdiction against or affecting any of the Real Property. All leases and subleases pursuant to which any of the Real Property is occupied or used are set forth on Schedule 4.6 and such leases and subleases are valid, subsisting, binding and enforceable in accordance with their respective terms and there are no existing material defaults thereunder or events that with notice or lapse of time or both would constitute defaults thereunder. Seller has not nor, to the best of Seller's knowledge, has any other party to any contract, lease or sublease relating to any Real Property given or received notice of termination, and, to the best of Seller's knowledge, subject to the receipt of any necessary Consents, the consummation of the transactions contemplated by this Agreement will not result in any such termination. Seller is not nor will it be, as a result of the transactions contemplated by this Agreement, with the giving of notice or the passage of time or both, in material breach of any provision of any contract, lease or sublease relating to any Real Property. All easements, rights-of-way and other rights which are necessary for Seller's current use of any Real Property are valid and in full force and effect, and Seller has not received any notice with respect to the termination or breach of any of such easements, rights-of-way or other similar rights.

4.7 Financial Statements; Operating Budget.

A. Seller has delivered to Buyer correct and complete copies of the System's balance sheet and related statements of operations, income, changes in financial position and statements of cash flows for the year ended December 31, 1995 including the detail supporting such financial statements (collectively, the "1995 Financial Statements") and a letter from Price Waterhouse, independent auditors for Seller, certifying that the Financial Statements have been prepared in accordance with GAAP. The 1995 Financial Statements (i) have been prepared in accordance with the books and records of Seller and (ii) fairly present the financial condition and the results of operations and cash flows of the System as of and for the period ended on such date, all in conformity with GAAP consistently applied throughout such period, with no material difference between such financial statements and the financial records maintained by Seller. Seller has delivered to Buyer correct and complete copies of all filings made to Governmental Authorities with respect to the System.

B. Since December 31, 1995, (i) the Business has been operated only in the ordinary course; (ii) there has been no material adverse change in, and no event has occurred which, so far as reasonably can be foreseen, is likely, individually or in the aggregate, to result in any material adverse change in the business, operations, prospects, financial condition, or results of operations of the Business, other than changes affecting the United States economy in general or the cable television industry in general; (iii) there has been no sale, assignment or transfer of any material assets or properties related to the System, or any theft, damage, removal of property, destruction or casualty loss which might be expected to materially adversely affect the Business or the System; (iv) there has been no amendment or termination of any Governmental Permit or any Contract material to the conduct of the Business; (v) there has been no waiver or release of any material right or claim against any third party relating to the Business; (vi) there has been no material labor dispute or union activity with respect to or by Seller's employees which affects the operation of the System; and (vii) there has been no agreement by Seller to take any of the actions described in the preceding clauses (i) through (vi), except as contemplated by this Agreement.

C. The 1996 operating budget relating to the Business which has been delivered to Buyer was prepared in good faith in accordance with past practice and is predicated upon the assumptions set forth therein, which assumptions are consistent with prior budgeting practices and are reasonable in all material respects.

4.8 Legal Proceedings. Except as set forth on Schedule 4.8 and any proceedings affecting the cable television industry in general, there is no judgment or order outstanding, or any action, suit, arbitration, proceeding, controversy or investigation by or before any Governmental Authority or any arbitrator pending, or to the best of Seller's knowledge, threatened, involving or affecting the System, the Assets or the Business, which, if adversely determined, would have a material adverse effect on the System, the Assets or the Business or would materially impair the ability of Seller to perform its obligations under this Agreement or the other Transaction Documents to which it is a party. Seller is not in default or violation, and no event or condition exists which, with notice or lapse of time or both, could become or result in a default under or a violation of, any judgment or order of any Governmental Authority.

4.9 Certain Employment and Employee Benefit Matters. Seller has no, and no action or event has occurred that would cause Seller to have any, liabilities under ERISA or similar laws with respect to employee benefit plans of Seller regarding employees of the Business. There are no unions representing employees of the System and no labor disputes pending between Seller and any of its employees who work primarily in the operation of the System. Seller has complied in all respects with all laws relating to the employment of labor, including any provisions thereof relating to wages, hours, collective bargaining and the payment of social security and other taxes, and Seller is not liable for any arrearages of wages or any taxes or penalties for failure to comply with any of the foregoing. Schedule 4.9 sets forth the names, job descriptions and present annual rates of compensation, including the length of time such employee has been with the Seller, whether such employee is full-time or part-time, any bonus or other direct or indirect compensation and employee benefits, of all personnel whose work is performed wholly or substantially for the System, and any employment agreements, commitments, arrangements or understandings, written or oral, affecting such personnel.

4.10 Characteristics of the System.

A. The System includes not more than 150 miles of energized cable plant, of which not more than 18 miles are of underground construction, and include at least 7,400 homes passed by energized cable. There are no pending written complaints filed by Subscribers or other users of the System with any Governmental Authority, other than such complaints as are received from time to time in the ordinary course of business.

B. Schedule 4.10 sets forth accurately and completely the following information as of April 1, 1996 with respect to the System:

(i) a description of the System's physical plant, including with reasonable detail, headend trunk line and feeder cable, antenna structures (including coordinates), transmitting and receiving equipment and capacity and other electronic equipment;

(ii) an inventory of equipment and supplies on hand, including without limitation converters, accurate and complete in all material respects;

(iii) without duplication, the approximate number of Basic Subscribers and Bulk Units;

(iv) a listing of all communities included within the Franchise Areas;

(v) basic, pay, audio and ancillary services offered, all rates charged currently and for the prior three (3) years for each such service or package or tier of services and the number of subscribers to each such service or package or tier of services paying each such rate and all benchmark rates for the System;

(vi) all broadcast and nonbroadcast programming carried by the System, the channel capacity of the System, the station or signals carried, with a breakdown as to each signal as between satellite and off-air reception, current channel and frequencies utilized (including system radius and designated coordinates reported to the FCC);

(vii) installation charges, where applicable;

(viii) a description in reasonable detail of all present marketing programs, policies and practices, Seller's past practices with respect to marketing programs, policies and practices, which are expected to be implemented prior to the Closing Date and all rate increases proposed to be implemented (including dates of implementation) prior to the Closing Date;

(ix) a description of all present customer service policies, practices and procedures;

(x) all FCC licenses and registrations, including, but not limited to, business radios, earth stations and microwave;

(xi) a description of all repair, manufacturing, assembly and equipment enhancement activities engaged in by Seller;

(xii) all retransmission consent agreements and must-carry requests required in the operation of the System; and

(xiii) detailed maps of the System.

4.11 Finders; Brokers and Advisors. Except for the engagement of Waller Capital Corporation, with respect to which Seller shall have sole responsibility for the payment of all amounts owed, Seller has not employed any financial advisor, broker or finder or incurred any liability for any financial advisory, brokerage, finder's or similar fee or commission in connection with the transactions contemplated by this Agreement and Seller is not aware of any claim or basis for any claim for payment of, or any unpaid liability to any Person for any fees or commissions or like payments with respect to the negotiations leading to this Agreement or the consummation of any of the transactions contemplated by this Agreement.

4.12 Tax Matters.

A. Seller has as of the date hereof, and will have as of the Closing Date, timely filed in proper form all Tax Returns and all other reports that reasonably may affect Buyer's rights to and ownership of the Assets, the System or the Business that are required to be filed as of the date hereof, or which are required to be filed on or before the Closing Date, as the case may be, and all such Tax Returns were prepared in good faith and are accurate and complete in all material respects, and, to the best of Seller's knowledge, there is no basis for assessment of any addition to any Taxes shown thereon. Except as set forth on Schedule 4.12, all Taxes due or payable by Seller on or before the date hereof or the Closing Date, as the case may be, the non-payment of which could result in a lien upon the Assets, the System or the Business (including any Taxes, liabilities or amounts owing resulting from liability of Seller as the transferee of the assets of, or successor to, any other corporation or entity or resulting by reason of Seller having been a member of any group of corporations filing a consolidated, combined or unitary Tax Return) have been or will be timely paid, except to the extent any such Taxes (as set forth as of the date hereof on Schedule 4.12) are being contested in good faith by appropriate proceedings by Seller and for which adequate reserves for any disputed amounts shall have been established in accordance with GAAP. Except as set forth on Schedule 4.12, as of the date hereof, there has been no Tax examination, audit, proceeding or investigation of Seller, or with respect to the Assets, the System or the Business, by any relevant Taxing Authority, and Seller does not have any outstanding Tax deficiency or assessment. Except as set forth on Schedule 4.12, there are no pending or, to the best of Seller's knowledge, threatened actions, audits, examinations, proceedings or investigations by any relevant Taxing Authority with respect to Seller, the Assets, the System or the Business. There is no outstanding request for an extension of time within which to pay any Taxes with respect to Seller, the Assets, the System or the Business. There has been no waiver or extension of any applicable statute of limitations for the assessment or collection of any Taxes with respect to Seller, the Assets, the System or the Business. Seller has withheld and paid in a timely manner to all relevant Taxing Authorities all payments for withholding Taxes, unemployment insurance and other amounts required to be withheld and paid. All Taxes of or with respect to Seller, the Assets, the System and the Business relating to the period prior to the Closing shall be the responsibility of Seller.

4.13 Equipment. Schedule 4.13 contains a list of all Equipment used or held for use by Seller in the operation of the Business. Except as set forth on Schedule 4.13, the Equipment, whether or not set forth on Schedule 4.13 or hereafter acquired, is and will be at Closing in good operating condition and repair (reasonable wear and tear excepted) and fit for the purpose it is being used. All leases (including capital leases) pursuant to which any Equipment is used are set forth on Schedule 4.13 and such leases shall be paid in full prior to the Closing. At Closing, all Equipment subject to a lease on the date hereof shall be transferred to Buyer free and clear of such leases and Buyer shall assume no obligations under any such lease agreements.

4.14 Governmental Permits; Contracts.

A. Schedule 4.14(i) contains a complete list of all Governmental Permits and Schedule 4.14 (ii) contains a complete list of all Contracts. Each Governmental Permit and Contract, including those that are entered into after the date hereof, is in full force and effect, binding and enforceable in accordance with its terms, and is valid under and complies in all material respects with all applicable Legal Requirements. Except as set forth on Schedule

4.14(i), Seller is the authorized legal holder of all Governmental Permits. Except as set forth on Schedule 4.14(i) and 4.14(ii), neither Seller nor to the best of Seller's knowledge, any other party to any Governmental Permit or Contract is in default thereunder or has given or received notice of termination, cancellation, dispute or default or, to the best of Seller's knowledge, has taken any action inconsistent with the continuance of any Governmental Permit or Contract. Except for Contracts shown as oral contracts and described in all material respects on Schedule 4.14 (ii), correct and complete copies of each Governmental Permit and Contract have been delivered to Buyer and its representatives, and with respect to those Governmental Permits and Contracts executed after the date hereof, copies will be made available to Buyer promptly following such execution and in any event prior to the Closing Date. Except as set forth in Schedule 4.20, none of the Contracts require Buyer to assume, or Seller to cause Buyer to assume, such Contract as a condition to the transfer of the Assets and the System to Buyer.

B. Except as disclosed on Schedule 4.14(i), no approval, application, filing, registration, consent or other action of any Governmental Authority is required to enable Seller to take advantage of the rights and privileges intended to be conferred by any Governmental Permits, except for approvals, applications, filings, registrations, consents or other actions that (if not made or obtained) could not have a material adverse effect on Seller or the Business. Seller has not received any notice from the granting Governmental Authority with respect to any breach of any covenant under, or any default with respect to, any Governmental Permits, which default has not been cured.

4.15 Insurance. Seller has in force policies of insurance with respect to the Assets and the Business and all bonds required to be obtained by Seller with respect to the Business, including without limitation all bonds required by Governmental Permits and Contracts, as set forth on Schedule 4.15. All insurance policies are adequate, in accordance with prevailing cable industry practices, to insure fully, less standard deductibles, against all risks to which Seller and the Assets are exposed in the operation and conduct of the Business. At no period of time did Seller lack any such insurance coverage. Schedule 4.15 is true, complete and accurate and the insurance policies and bonds referred to therein are in full force and effect (free from any right of termination on the part of the insurance carriers or bonding agencies), and Seller has received no notice of non-renewal or cancellation of such insurance policies or bonds. Seller will maintain such insurance policies and bonds in full force and effect up to and including the Closing Date, and will furnish Buyer evidence thereof. All claims, if any, made against Seller which are covered by insurance are listed on Schedule 4.8 and are being defended by the insurers. To the best of Seller's knowledge, there is no basis upon which any insurance carriers may disclaim coverage under any of the insurance policies referred to on Schedule 4.15.

4.16 Hazardous Substances and Environmental Matters. (i) The Real Property is free of all asbestos-containing building materials susceptible to becoming airborne if not disturbed; (ii) no quantity in any amount required to be reported under any Legal Requirement (hereinafter "Reportable Quantity") of any Hazardous Substance (as defined below) into, on, over or under the Real Property which remains in, on, over or under the Real Property, except for such substances that are in such amounts which are not of a Reportable Quantity under any applicable environmental laws, or are of the type typically found in commercial cleaning products, standard office supplies or other materials in amounts generally used or produced by businesses similar to the Business; (iii) no Reportable Quantity under applicable Legal Requirements of any Hazardous Substance has been released into, on, over or under the Real Property unless same shall have been cleaned up, removed or otherwise remediated in accordance with Legal Requirements; (iv) Seller is, and has been, in compliance with all Legal Requirements relating to the environment with respect to the Assets and the operation of the Business and the System; and (v) Seller has not received any notice from any Governmental Authority indicating that the Real Property or any real property adjacent thereto has been or may be placed on any federal or state "Superfund" or "Superlien" list. For these purposes, the term "Hazardous Substances" includes any substance heretofore or hereafter designated as "hazardous" or "toxic," including, without limitation, petroleum and petroleum related substances, or having characteristics identified as "hazardous" or "toxic" under any Legal Requirement including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 U.S.C. Section 9601, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., the Federal Water Pollution Control Act, 33 U.S.C. Section 1247, et seq., the Clean Air Act, 42 U.S.C. Section 2001, et seq., and the Community Right to Know Act, 42 U.S.C. Section 11001, et seq., all as amended.

4.17 Accounts Receivable. The Accounts Receivable have not been assigned to or for the benefit of any other Person. The Accounts Receivable reflected in the 1995 Financial Statements and Monthly Financial Statements and all Accounts Receivable arising after the dates thereof up to and including the Closing Date (to the extent not heretofore or theretofore collected) arose and will arise from bona fide transactions in the ordinary course of business and, other than Accounts Receivable which are more than 60 days past due from the date of billing, the Accounts Receivable are, and will be, fully collectible.

4.18 System Compliance.

A. Seller's operation of the System is in material compliance with all applicable Legal Requirements, including without limitation, the Communications Act, the Copyright Act, and the rules and regulations of the FCC and the United States Copyright Office, including, without limitation, rules and laws governing system registration, use of aeronautical frequencies and signal carriage, equal employment opportunity, cumulative leakage index testing and reporting, signal leakage, and subscriber privacy, 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 on the Assets, the System or the Business. 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 on the Assets, the System or the Business and except as set forth in Schedule 4.18 hereto:

(i) the Franchise Area has been registered with the FCC;

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

(iii) the System currently meets or exceeds the applicable technical standards set forth in the rules and regulations of the FCC, including, without limitation, the leakage limits contained in 47 C.F.R. Section 76.605 (a) (11);

(iv) the System is 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) to the extent applicable;

(v) the System is presently being operated in compliance with such authorizations (and all required certificates, permits and clearances from governmental agencies, including the Federal Aviation Administration, with respect to all towers, earth stations, business radios and frequencies utilized and carried by the System have been obtained); and

(vi) all notices to subscribers of the System required by the rules and regulations of the FCC have been provided.

B. 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 off-air signals by the System have been duly filed, and the proper amount of copyright fees have been paid on a timely basis, and the 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 on the Assets, the System or the Business.

C. The carriage of all television station signals (other than satellite super stations) by the System is permitted by valid retransmission consent agreements or by must-carry elections by broadcasters.

D. Seller is in compliance with its obligations with regard to protecting the privacy rights of any past or present customers of the System except to the extent that the failure to so comply could not (either individually or in the aggregate) reasonably be expected to have a material adverse effect on the Assets, the System or the Business.

E. The Assets are adequate and sufficient for all of the current operations of the System.

F. To Seller's knowledge, the System is not subject to effective competition as of the date hereof.

G. No Governmental Authority has notified Seller of its application to be certified to regulate basic service rates with respect to the System as provided in 47 C.F.R. Section 76.910.

H. No Governmental Authority has notified Seller that it has been certified to regulate basic service rates and has adopted regulations required to commence such regulation with respect to the System as provided in 47 C.F.R. Section 76.910(c) (2).

I. Except to the extent that a Governmental Authority regulates rates pursuant to the Rate Regulation Rules, Seller is not aware of any reason that the Seller cannot continue to charge its current programming rates in connection with the Seller's operation of the System in compliance with the Communications Act and the Rate Regulation Rules.

J. To Seller's knowledge, no reduction of rates or refunds to subscribers is required thereunder as of the date hereof.

K. Seller is in compliance with its obligations under 47 C.F.R. Part 17 concerning the construction, marking and lighting of antenna structures used by Seller in connection with the operation of the System, except to the extent that the failure to so comply could not (either individually or in the aggregate) reasonably be expected to have a material adverse effect on the Assets, the System or the Business.

4.19 Intangibles. Except as set forth on Schedule 4.19, Seller owns or possesses royalty free licenses or other rights to use all Intangibles necessary to the operation of the Business as presently conducted without any material conflict with, or material infringement of, the rights of others. There is no claim pending or, to the best of Seller's knowledge, threatened with respect to any such Intangibles. Schedule 4.19 contains a true, correct and complete list of all Intangibles which are material to the operation of the System.

4.20 No Other Consents. Seller has obtained and is in compliance with all consents, approvals, authorizations, waivers, orders, licenses, certificates, permits and franchises from, and has made all filings with, any Governmental Authority and other Persons required for the operation of the System as presently operated, all of which are in full force and effect and enforceable in accordance with their respective terms and comply with all applicable Legal Requirements, except for such failures which do not or could not, individually or in the aggregate, be expected to have a material adverse effect on the System or the Business. Except as set forth on Schedule 4.20, no consent, authorization, approval, waiver, order, license, certificate or permit of or from or declaration or filing with any Governmental Authority or other Person is necessary to preclude any cancellation, suspension, termination or reformation of any Governmental Permit or Contract, other than such consents, authorizations, approvals, waivers, orders, licenses, certificates or permits which do not or could not, individually or in the aggregate, have a material adverse effect on the System or the Business.

4.21 No Undisclosed Liabilities. Except as and to the extent set forth on Schedule 4.21, Seller does not have any liability or obligation (direct or indirect, absolute, fixed, contingent or otherwise) arising out of the Assets or conduct of the Business which was not reflected or reserved on the 1995 Financial Statements or Monthly Financial Statements, and Seller has not incurred any such liability or obligation since the last day of the last Monthly Financial Statement, other than in the ordinary course of business.

4.22 Liabilities to Subscribers. There are no obligations or liabilities to subscribers of the System except with respect to (i) prepayments or deposits made by such subscribers as set forth in the 1995 Financial Statement or Monthly Financial Statements or, since the last day of the Monthly Financial Statements incurred in the ordinary course of business consistent with past practices and (ii) the obligation to supply services to subscribers in the ordinary course of business in accordance with and pursuant to the terms of the Governmental Permits.

4.23 Restoration. Other than property having an aggregate value of less than $25,000, no property of any Person has been damaged, destroyed, disturbed or removed in the process of construction or maintenance of the System, which has not been, or will not be, prior to the Closing, repaired, restored or replaced, and as to which an adequate reserve has not been established by Seller.

4.24 Condition and Transfer of Tangible Property. The tangible personal property of Seller has been installed, operated and maintained in all respects in accordance with the requirements of (i) all applicable Governmental Permits and Contracts and (ii) technical standards and Legal Requirements of any Governmental Authority or regulatory authorities, other than such requirements which would not, individually or in the aggregate, have a material adverse effect on the Assets, the Business or, to the best of Seller's knowledge, Buyer's ability to operate and maintain the tangible personal property after the Closing in substantially the same manner in which it is currently operated and maintained by Seller. The System is or shall be at Closing capable of delivering in the ordinary course of business to all subscribers, cable television services (including a visual transmission) in compliance with all applicable Governmental Permit requirements. At the Closing, Seller shall have and shall transfer to Buyer good title to all tangible property included as part of the Assets.

4.25 Inventory. Seller has, and at the Closing will have, an inventory of spare parts and other materials relating to the System of the type and nature and maintained at a level consistent with past practices and otherwise in accordance with cable system industry practices.

4.26 Overbuilds. Except as set forth in Schedule 4.26, (I) no construction programs have been undertaken, or to Seller's knowledge, are proposed or threatened to be undertaken, by any municipality or other cable television, multichannel multipoint distribution systems or multipoint distribution system provider or operator in any Franchise Area served by the System; and (ii) no franchise or other application or request of any Person is pending or to Seller's knowledge, threatened or proposed which relates to, or which could materially adversely affect the System. Except as set forth on Schedule 4.26, Seller is not, nor is an Affiliate of Seller, a party to any agreement restricting the ability of a third party to operate cable television systems in the Franchise Areas.

4.27 Certain Programming Arrangements and Relationships. Except as set forth on Schedule 4.27, Seller is not a party to any programming contract with any Person providing for any exclusive arrangement with respect to the provision of programming to the Business. Except as set forth on Schedule 4.27, neither Seller nor any of its Affiliates has any affiliation with (other than on a third party basis), equity interest in, profit participation in, contractual right to acquire any such interest or participation, or any other relationship with any Person that provides programming to the System. Seller has not entered into any arrangement with any community groups or similar third parties restricting or limiting the types of programming which may be shown on the System.

4.28 Disclosure. No representation or warranty by Seller contained in this Agreement (including the exhibits and schedules hereto), and no statement contained in any document, certificate or other instrument furnished to Buyer by or on behalf of Seller (excluding drafts of any thereof) pursuant hereto contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary in order to make the statements contained herein or therein not misleading.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Seller as follows, which representations and warranties, together with all other representations and warranties of Buyer in this Agreement, shall be true and correct as of the Closing Date as if expressly restated on said date, and shall survive the Closing Date:

5.1 Organization and Qualification. Buyer is a limited liability company duly formed under the Limited Liability Company Act of the State of Delaware, and is validly existing and in good standing under the laws of the State of Delaware. Buyer has all requisite power and authority to carry on its business as currently conducted and to own, lease, use and operate its assets. Buyer is duly qualified or licensed to do business and is in good standing under the laws of each jurisdiction where the assets owned by it are located and its business is conducted, except any such jurisdiction where the failure to be so qualified or licensed and in good standing would not have a material adverse effect on its assets or its business, or on the validity, binding effect or enforceability of this Agreement and each other Transaction Document to which Buyer is a party, or on the ability of Buyer to perform its obligations under this Agreement and each other Transaction Document to which it is a party.

5.2 Authority and Validity. Buyer has full power and authority to execute and deliver this Agreement and each other Transaction Document to which it is a party and to consummate the transactions contemplated by this Agreement and each other Transaction Document to which it is a party. The execution and delivery of this Agreement and each other Transaction Document to which Buyer is a party and the consummation by Buyer of the transactions contemplated by this Agreement and each other Transaction Document to which it is a party have been duly and validly authorized by all necessary action on the part of Buyer. This Agreement has been, and each of the other Transaction Documents to which Buyer is a party will be on or prior to the Closing, duly and validly executed and delivered by Buyer, and this Agreement and each of the other Transaction Documents to which Buyer is a party constitutes and will constitute on or prior to the Closing, a valid and binding obligation of Buyer, enforceable against Buyer in accordance with their respective terms.

5.3 No Breach or Violation.

A. Except for (i) any consents that will be obtained or waived on or prior to the Closing Date, (ii) filings and consents which, if not made or obtained, would not have a material adverse effect on Buyer's ability to perform its obligations under this Agreement and the other Transaction Documents to which Buyer is a party and (iii) any Required Consents to the transfer to Buyer of any of the Governmental Permits, no consent, waiver, approval or authorization of, or filing, registration or qualification with, any Governmental Authority is required to be made or obtained by Buyer in connection with the execution, delivery and performance of this Agreement or the other Transaction Documents to which it is a party.

B. Except with respect to any consents or filings covered by the exceptions in clauses (i) - (iii) of Section 5.3A, the execution, delivery and performance by Buyer of this Agreement and the other Transaction Documents to which it is a party do not and will not: (i) violate or conflict with any provision of Buyer's operating agreement or articles of organization; (ii) violate any Legal Requirement; or (iii) (A) violate, conflict with or constitute a breach of or default under (without regard to requirements of notice, passage of time or elections of any Person), (B) permit or result in the termination, suspension or modification of, (C) result in the acceleration of (or give any - Person the right to accelerate) the performance of Buyer under, or (D) result in the creation or imposition of any Encumbrance under, any material contract, agreement, arrangement, commitment or plan to which Buyer is a party or by which Buyer or any of its assets is bound or affected, except such violations, conflicts, breaches, defaults, terminations, suspensions, modifications, and accelerations as would not, individually or in the aggregate, have a material adverse effect on Buyer's ability to perform its obligations under this Agreement or the other Transaction Documents to which it is a party.

5.4 Litigation.

A. There are no claims, actions, suits, proceedings or investigations pending or, to the best of Buyer's knowledge, threatened, in any court or before any Governmental Agency, or before any arbitrator, by or against or affecting or relating to Buyer or any of its Affiliates which, if adversely determined, would restrain or enjoin the consummation of the transactions contemplated by this Agreement and the other Transaction Documents to which Buyer is a party or declare unlawful the transactions or events contemplated by this Agreement and the other Transaction Documents to which Buyer is a party or cause any of such transactions to be rescinded.

B. There are no judgments, injunctions, orders or other judicial or administrative mandates outstanding against or affecting Buyer or any of its Affiliates which would hinder or delay the consummation of the transactions contemplated by this Agreement or the other Transaction Documents to which Buyer is a party.

5.5 Finders; Brokers and Advisors. Buyer has not employed any financial advisor, broker or finder or incurred any liability for any financial advisory, brokerage, finder's or similar fee or commission in connection with the transactions contemplated by this Agreement and Buyer is not aware of any claim or basis for any claim for payment of, or any unpaid liability to any Person for any fees or commissions or like payments with respect to the negotiations leading to this Agreement or the consummation of any of the transactions contemplated by this Agreement, except with respect to the obligations of Seller referred to in Section 2.6.

ARTICLE VI
ADDITIONAL COVENANTS

6.1 Access to Premises and Records. Between the date of execution and delivery of this Agreement and the Closing Date, Seller will give Buyer and its representatives, during normal business hours and with reasonable prior notice, access to the books and records, contracts and commitments of the Business and to the Assets and will furnish to Buyer and its representatives such information regarding the Business and the Assets as Buyer may from time to time reasonably request. Without limiting the generality of the foregoing, Buyer shall have access to all documents and information and reasonable access to books, records and employees necessary to permit Buyer to verify, to its reasonable satisfaction, the representations and warranties of the Seller contained herein, including without limitation that (i) all offset frequencies relating to the System are in place, and (ii) the System is otherwise in compliance with all applicable Legal

Requirements, in each case to the extent represented and warranted in Section 4.18, and Buyer shall be permitted to conduct (if it so desires) a signal leakage rideout and follow up and such other tests as Buyer shall deem necessary to verify the foregoing. Seller shall give Buyer prompt written notice of (i) any material adverse change in the condition of any of the Assets or the System or any material change in any of the information contained in the representations and warranties of Seller or information otherwise furnished to Buyer which occurs after the date hereof and (ii) any claim, action, investigation or proceeding threatened in writing or initiated relating to any rate then being charged by Seller for any service provided by the System or the carriage of or failure to carry any television broadcast signal. During such period, Seller shall consult with Buyer and keep Buyer fully informed at all times regarding any hearings or developments relating to any such claim, action, investigation or proceeding. No such furnishing of information to Buyer and no investigation by Buyer shall affect Buyer's right to rely on, or Seller's liability with respect to, any representation or warranty made in this Agreement.

6.2 Continuity and Maintenance of Operations. Except as specifically permitted or required by this Agreement or by any Legal Requirement, Seller shall:

A. Operate the Business in the ordinary course consistent with past practices, including without limitation, its billing, promotional and marketing practices and use commercially reasonable efforts to preserve any beneficial business relationships with customers, suppliers, employees, Governmental Authorities and others having business dealings with Seller relating to the Business;

B. Maintain the Assets, including the plant and Equipment related thereto, in good operating condition (normal wear and tear excepted), and implement any capital expenditures required in connection with such maintenance;

C. Maintain all bonds and casualty and liability insurance relating to the System as in effect on the date of this Agreement;

D. Keep all of its business books, records and files relating to the System in the ordinary course of business in accordance with past practices, and pay, consistent with past practices, all accounts payable and other debts, liabilities and obligations relating to the System;

E. Continue to implement its procedures for disconnection and discontinuance of service to System subscribers whose accounts are delinquent in accordance with those in effect on the date of this Agreement;

F. Not sell, transfer or assign any Assets other than on an arms-length basis in the ordinary course of business consistent with past practices;

G. Not permit the amendment or cancellation of any of the Governmental Permits, Contracts or any other contract or agreement (other than those constituting Excluded Assets) which, individually or in the aggregate, materially adversely effects the System or the Business, provided, that Seller shall satisfy all outstanding obligations under all personal property (including vehicle) lease arrangements so that all such Assets shall be free and clear of all Encumbrances at Closing;

H. Not enter into any contracts or commitments for the acquisition of goods or services relating to the System or the Business, the performance of which will not be completed by the Closing Date or involving an expenditure individually in excess of $10,000 or expenditures in the aggregate in excess of $30,000;

I. Not take or omit to take any action that would cause Seller to be in breach of any of its representations or warranties in this Agreement;

J. Maintain inventories for the Business of equipment, cable and supplies at normal levels consistent with past practice and good industry standards;

K. Not increase the compensation or change any benefits available to employees of Seller who work in the Business except as required pursuant to existing written agreements or except in the ordinary course of business consistent with past practice;

L. Report and write off Accounts Receivable in accordance with past practices;

M. Withhold and pay when due all Taxes relating to employees of the Business, the Assets, the Business and/or the System;

N. Not create, assume or permit to exist any Encumbrance (other than Permitted Encumbrances) on any of the Assets, other than those Encumbrances existing on the date hereof;

0. Maintain service quality of the System at a level at least consistent with past practices;

P. File with the FCC all reports required to be filed under applicable FCC rules and regulations, and otherwise comply with all Legal Requirements with respect to the System;

Q. Not implement any new marketing program, policy or practice, or implement any rate change, retiering or repackaging; and

R. Effect and facilitate the transition of the operation of the System from Seller to Buyer as contemplated by this Agreement.

6.3 Employee Matters.

A. Except for those employees who are parties to employment agreements with Seller that Buyer agrees to assume pursuant to Section 2.2B, the employment of other employees of the Business will terminate on the Closing Date. Buyer agrees to consider applications for employment from all current employees of the Business. Nothing in this statement of intent shall be construed to create any third party beneficiary rights in favor of any person not a party to this Agreement or to constitute an offer of employment, employment agreement or condition of employment for any of the employees of the Business.

B. Seller shall retain liability for all workers' compensation claims made by employees of the Business and the System filed on or before the Closing Date. Seller shall also retain liability for all workers' compensation claims filed by such employees after the Closing Date to the extent that such claims relate to any compensable injuries incurred prior to the Closing Date.

C. Buyer shall not assume or have any liability under any agreement with any individual related to such individual's employment in the Business at or prior to the Closing Date or bonus, incentive or other employee benefit plans maintained by Seller, including, without limitation, phantom stock plans, stock incentive plans, opportunity pay plans, long term cash and incentive compensation plans, covering persons employed by or who at any time prior to the Closing Date were employed in the Business. Seller shall take such actions as are necessary to ensure the preservation and delivery of all benefits accrued through the Closing Date, whether payable presently or at some future date, to employees of the Business in respect of any such bonus or incentive plans. Seller shall be responsible for and shall pay all amounts payable to all of its employees in connection with the termination of employment of any such employee on or before the Closing Date in connection with the transactions contemplated hereby, or otherwise, and also shall be responsible for all health insurance, vacation pay and other benefits payable to such employees. Notwithstanding anything contained herein to the contrary, Seller shall be responsible for providing all the employee benefit plans in effect prior to the Closing Date to the employees of the Business for thirty days after the Closing Date.

D. Seller shall be responsible for compliance with the notice and continuation coverage requirements of Section 4980B of the Code that arise with respect to the former employees of Seller and the Affected Employees (as defined in ERISA), on account of the transactions contemplated by this Agreement, if any.

E. Seller's long term disability plan shall be responsible for payment of any and all covered benefits payable with respect to employment on or before the Closing Date and for thirty days thereafter, regardless of whether payment is required to be made after the Closing Date, for: (i) any individual who is currently receiving such benefits as of the Closing Date, (ii) any individual who becomes disabled prior to the Closing Date and who remains disabled for the length of any qualifying disability period, and (iii) any individual described in (i) and (ii) above whose disability ceases after the Closing Date and who subsequently becomes disabled prior to the expiration of ninety (90) days of active employment with Buyer, where such subsequent disability is a continuation of such prior disability for which benefits were due under Seller's or the System's welfare plan.

F. Except as otherwise provided in this Agreement, Seller shall retain, and Buyer shall not assume, any liabilities or obligations of Seller or any of its Affiliates to Employees with respect to claims incurred and employment prior to the Closing Date.

G. Seller shall give all notices required to be given under the WARN Act by any party related to or as a result of the transactions contemplated by this Agreement, and shall indemnify and hold Buyer harmless for any liability resulting from the failure of Seller and each System to do so. On the Closing Date, seller shall deliver to Buyer a written description of any "employment loss," as defined in the WARN Act, which occurs at any time within the ninety (90) days prior to the Closing Date. For purposes of the WARN Act and this Section 6.3, "Closing Date" shall mean the "effective date" of the transactions contemplated by this Agreement, as defined in the WARN Act.

H. Buyer agrees that, solely for purposes of its vacation policies, Buyer shall credit Seller's employees with prior periods of service at the System, as indicated on <u>Schedule 4.9</u>.

6.4 <u>Consents</u>.

A. Seller will use commercially reasonable efforts to obtain, at its own cost and expense as soon as practicable, the Consents, in form and substance reasonably satisfactory to Buyer; provided that "commercially reasonable efforts" for this purpose shall not require Seller to undertake extraordinary or unreasonable measures to obtain such approvals and consents, including, without limitation, the initiation or prosecution of legal proceedings or the payment of fees in excess of normal and usual filing and processing fees. Seller and Buyer will use commercially reasonable efforts to obtain, as soon as practicable, the Consents of Governmental Authorities; provided, that "commercially reasonable efforts" for this purpose shall not require Buyer to agree to any change in any Contract or Governmental Permit as a condition to obtaining any Consent, the effect of which is to make such Contract or Governmental Permit more burdensome to Buyer, or otherwise to undertake extraordinary or unreasonable measures to obtain such approvals and consents, including, without limitation, the initiation or prosecution of legal proceedings or the payment of fees in excess of normal and usual filing and processing fees.

B. Following the Closing, Buyer will deliver promptly to the Governmental Authorities for those Governmental Permits transferred at Closing all bonds, letters of credit, indemnity agreements, or certificates of deposit required by such Governmental Authorities and will use its commercially reasonable efforts to cooperate with Seller to obtain a release by such Governmental Authorities of Seller's bonds, letters of credit, indemnity agreements, and certificates of deposit.

6.5 HSR Notification. As soon as practicable after the execution of this Agreement and if required by applicable Legal Requirements, Seller and Buyer will each complete and file, or cause to be completed and filed, any notification and report required to be filed under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"). Each of the parties will take any additional action that may be necessary, proper or advisable, will cooperate to prevent inconsistencies between their respective filings and will furnish to each other such necessary information and reasonable assistance as the other may reasonably request in connection with its preparation of necessary filings or submissions under the HSR Act. Buyer and Seller shall use commercially reasonable efforts (including the filing of a request for early termination) to obtain the early termination of the waiting period under the HSR Act. The HSR Act filing fee shall be paid equally by the parties.

6.6 Notification of Certain Matters. Each party will promptly notify the other of any fact, event, circumstance or action the existence or occurrence of which would cause any of such party's representations or warranties under this Agreement not to be true and correct in any material respect.

6.7 Risk of Loss; Condemnation.

A. Seller will bear the risk of any loss or damage to the Assets resulting from fire, theft or other casualty at all times prior to the Closing. If any such loss or damage is so substantial as to prevent normal operation of any portion of the System within five days after the occurrence of the event resulting in such loss or damage, Seller shall immediately notify Buyer of that fact and Buyer, at any time within ten days after receipt of such notice, may elect by written notice to Seller either (i) to waive such defect and proceed toward consummation of the acquisition of the Assets in accordance with this Agreement or (ii) to terminate this Agreement. If Buyer elects to consummate the acquisition of the Assets notwithstanding such loss or damage and does so, there will be no adjustment in the aggregate consideration to be paid for the Assets under Article II on account of such loss or damage but all insurance proceeds paid or payable as a result of the occurrence of the event causing such loss or damage will be delivered by Seller to Buyer at the Closing or the rights to such proceeds will be assigned by Seller to Buyer at the Closing if not yet paid over to Seller.

B. If, prior to the Closing, any portion of the System is taken or condemned as a result of the exercise of the power of eminent domain, or if a Governmental Authority having such power informs Seller or Buyer that it intends to condemn any portion of the System (such event being referred to herein, in either case, as a "Taking"), then Buyer may terminate this Agreement. If Buyer does not so elect to terminate this Agreement then (i) if the Closing occurs, Buyer shall have the sole right, in the name of Seller, if Buyer so elects, to negotiate for, claim, contest and (if the Closing occurs) receive all damages with respect to the Taking, (ii) Seller shall be relieved of its obligation to convey to Buyer the Asset or interests that are the subject of the Taking and (iii) at the Closing Seller shall assign to Buyer all of Seller's rights (including the right to receive payment of damages) with respect to such Taking and shall pay to Buyer all damages previously paid to Seller with respect to the Taking.

6.8 Adverse Changes. Seller shall promptly notify Buyer in writing of any materially adverse developments affecting the Assets, the Business or the System which, to the best of Seller's knowledge, shall have occurred during the period from the date hereof through the Closing Date, including, without limitation, (a) any damage, destruction, loss (whether or not covered by insurance) or other event materially affecting any of the Assets, the System or the Business, (b) any notice of violation, forfeiture or complaint under any Governmental Permits, or (c) anything which, if not corrected prior to the Closing Date, will prevent Seller from fulfilling any condition to Closing described herein.

6.9 No Solicitation. Between the date of this Agreement and the Closing Date, Seller shall not, and shall cause its officers, directors, employees, agents and representatives (including, without limitation, Waller Capital Corporation, any investment banker, attorney or accountant retained by Seller) not to, initiate, solicit or encourage, directly or indirectly, any inquiries or the making of any proposal with respect to the Business, engage in any negotiations concerning, or provide to any other Person any information or data relating to the Business, the System, the Assets, or Seller for the purposes of, or have any discussions with any Person relating to, or otherwise cooperate in any way with or assist or participate in, facilitate or encourage, any inquiries or the making of any proposal which constitutes, or may reasonably be expected to lead to, any effort or attempt by any other Person to seek or effect a sale of all or substantially all of the Assets, the System or the Business.

6.10 Forms 394. If not previously submitted, on or prior to the expiration of the fifteenth (15th) day after the date of this Agreement, Seller and Buyer shall, each at its own expense, prepare and file properly prepared Applications for Franchise Authority Consent to Assignment or Transfer of Control or Cable Television Franchise FCC 394 ("Forms 394") with the local Government Authorities that have issued franchises to Seller, and shall file with all additional information required by such franchises or applicable local Legal Requirements or that the Governmental Authorities deem necessary or appropriate in connection with their consideration of the request of Seller or Buyer that such authority approve of the transfer of the Franchises to Buyer.

6.11 Phase I Study. Within twenty (20) days after the execution of this Agreement, Seller shall, at its sole expense, commission a qualified engineering firm to conduct the Study in accordance with ASTM Standard 1527-94. Within three (3) business days of receipt of the report of the completed Study, Seller shall promptly deliver the report of the Study to Buyer. Buyer shall hold the information about the Study and any related information or documentation in confidence in accordance with the provisions of Section 6.13. If Buyer notifies Seller in writing within thirty (30) Business Days from the date Buyer receives the report of the Study that the Study discloses the existence of any breach, or any facts which could be expected to result in a breach, of the representations of Seller contained in Section 4.16, Seller shall promptly commence further investigation and/or remedial action to cure the condition at its expense prior to the Closing; provided that Seller shall not be obligated to spend more than $100,000 in the aggregate in its attempt to cure all such conditions. Seller shall notify Buyer within seven (7) days after its receipt of such written notice from Buyer if Seller determines that it is or will be unable to cure such conditions for $100,000 or less. If Seller exercises the right not to cure such conditions because the aggregate cost would exceed $100,000, Buyer may elect (i) to terminate this Agreement with no cost or obligation on the part of Seller or (ii) to waive such obligations, in which event Buyer shall receive a credit at the Closing in the amount, if any, by which $100,000 exceeds the aggregate amount paid by Seller to third parties in connection with curing such conditions and assume all liabilities and obligations in connection with such conditions and hold harmless and indemnify Seller from same in accordance with this Agreement, notwithstanding any provisions, including any representations and warranties of Seller, of this Agreement to the contrary and Seller shall have no liability under this Agreement or otherwise to Buyer related to or arising from such conditions.

6.12 Monthly Financial Statements. Between the date of execution and delivery of this Agreement and the Closing Date, Seller shall deliver to Buyer within thirty (30) days after the end of each calendar month, unaudited financial reports ("Monthly Financial Statements") in the form customarily prepared by Seller as set forth in Schedule 6.12 with respect to the System and other reports with respect to the System (including, without limitation, capital expenditures to the System, reports setting forth the revenue and cash flow of the System for each month and year-to-date, subscriber information for Basic Subscribers and Bulk Units, disconnect requests, miles of plant, homes passed and such other information as Buyer may reasonably request which is in the form customarily prepared by Seller, beginning as soon as practicable after the date of this Agreement). Such financial statements and monthly operating statements shall present fairly and accurately the financial condition and results of operations of Seller and the System for the period then ended and as of such dates and be prepared in accordance with GAAP consistently applied through the periods specified subject to normal year end adjustments.

6.13 Confidentiality. Each party shall maintain the confidentiality of all documents or other information or data of the other party, whether written or oral, and furnished to such party, its employees, agents, lenders, accountants, representatives, advisors or consultants ("Confidential Parties") in the course of the negotiation of this Agreement or in connection with the transactions contemplated by this Agreement (the "Information"). Each party will hold and use all reasonable efforts to cause its respective Confidential Parties to hold in strict confidence all of the Information, and will not, without the prior written consent of the other party, (i) use the Information for any purpose other than in connection with the transactions contemplated by this Agreement or in any proceeding, litigation or arbitration in respect thereof; or (ii) release or disclose any Information to any other person, except to such foregoing persons. Notwithstanding the foregoing, the following will not constitute a part of the Information for the purposes of this Section:

(i) information that a party can show was known by it or any of its respective Confidential Parties prior to the disclosure thereof by the other party;

(ii) information that is or becomes generally available to the public other than as a result of a disclosure directly or indirectly by the party or any of its respective confidential Parties in breach of this Section 6.13;

(iii) information that is independently developed by such party or any of its respective Confidential Parties; or

(iv) information that is or becomes available to such party on a non-confidential basis from a source other than the other party or any of its respective Confidential Parties, provided that such source is not known by the party receiving the Information to be bound by any obligation or confidentiality in relation thereto.

6.14 Covenant Not to Compete. For purposes of this Section 6.14 only, the term "Seller" shall include all corporations, firms and entities controlled by Seller. Seller shall cause John L. Booth, II and Ralph H. Booth, II, and shall use its best efforts, at no cost or penalty to Seller, to cause James Walker, to execute the Confidentiality and Non-Compete Agreements in the form attached hereto as Exhibit D.

A. Seller covenants and agrees that for a period of five years after Closing (or such period as allowed by law if less than five years), Seller (alone or in any combination therewith) will not be involved with either the cable television, media or telecommunications business within a 50-mile radius of the Franchise Areas. Notwithstanding anything contained herein, neither (i) the ownership of securities of any company that is not controlled by any Seller nor (ii) any involvement by Seller in Mediacom LLC or any Affiliate thereof shall constitute a violation of this covenant.

B. Seller agrees that in the event that it commits a breach or threatens to commit a breach of any of the provisions of this Section 6.14, Buyer shall have the right and remedy to have the provisions of this Section 6.14 specifically enforced by any court having jurisdiction, it being acknowledged and agreed that any such breach could cause immediate irreparable injury to Buyer and that money damages would not provide an adequate remedy at law for any such breach or threatened breach. Such right and remedy shall be in addition to, and not in lieu of, any other rights and remedies including damages available to Buyer at law or in equity.

C. If any of the provisions of or covenants contained in this Section 6.14 are hereafter construed to be wholly or to any extent invalid or unenforceable in any jurisdiction, the same shall be deemed automatically modified to the minimum extent necessary to make such provision or covenant enforceable, and the same shall not affect the remainder of the provisions to the extent not invalid or unenforceable in such jurisdiction or the enforceability thereof without limitation in any other jurisdiction.

6.15 Public Announcements. Prior to the Closing Date, all notices to third parties and other publicity relating to the transaction contemplated by this Agreement shall be jointly planned and agreed to by Seller and Buyer unless otherwise required by law; provided, however, that Seller may, from time to time advise its shareholders and lenders and Buyer may, from time to time, advise its member and lenders, with respect to this Agreement and the transactions contemplated by this Agreement without the consent of the other. Seller shall not unreasonably refuse requests by Buyer, once approval of the Governmental Authorities to the transfer of the franchises is granted, to insert in invoices to Seller's subscribers, at Buyer's expense, subscriber educational material concerning the transaction contemplated by this Agreement.

6.16 Unauthorized Use of Channels. Seller shall take all actions necessary to correct the System's pre-Closing unauthorized use of microwave channels inconsistent with its CARS License (dated October 26, 1993; file no. CAR-43763-02; call sign WBQ-804) including payment of actual out-of-pocket costs incurred in connection therewith. Out-of-pocket costs shall include any penalties imposed by the FCC, but shall exclude costs arising from any consequential, exemplary or other punitive damages, or any other damages.

ARTICLE VII
CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYER

The obligations of Buyer under this Agreement are subject to the satisfaction at or prior to the Closing of each of the following conditions, any one or more of which may be waived by Buyer, in its sole direction.

7.1 HSR Act. If required under applicable Legal Requirements, all filings required under the HSR Act shall have bean made and the applicable waiting period shall have expired or been earlier terminated without the receipt of any objection or the commencement or threat of any litigation by a Governmental Authority of competent jurisdiction to restrain the consummation of the transactions contemplated by this Agreement.

7.2 Governmental or Legal Action. No action, suit or proceeding shall be pending or threatened by any Governmental Authority or other Person and no Legal Requirement shall have been enacted, promulgated or issued or deemed applicable to any of the transactions contemplated by this Agreement by any Governmental Authority or other Person that would (a) prohibit Buyer' s ownership or operation of the System, the Business or the Assets or require Buyer to divest itself of the System or any of the Assets after the Closing Date, (b) result in the imposition of material damages against Buyer or any of its Affiliates in connection with the consummation of the transactions contemplated by this Agreement or (c) prevent or make illegal the consummation of the transactions contemplated by this Agreement.

7.3 Accuracy of Representations and Warranties. The representations and warranties of Seller contained in this Agreement shall be true and correct in all material respects as of the date of this Agreement and as of the Closing Date, with the same effect as though made on and as of the Closing Date.

7.4 Performance of Agreements. Seller shall have performed in all material respects all obligations and agreements and complied or caused to be complied with all covenants and conditions required by this Agreement to be performed or complied with by it at or prior to the Closing Date.

7.5 No Material Adverse Change. During the period from the date of this Agreement through and including the Closing Date, there shall not have occurred any material adverse change in the business, prospects, assets, financial condition or operations of the System, other than any change arising out of matters of a general economic nature or matters affecting the cable television industry (national or regional) generally, and Seller shall not have sustained any material loss or damage to the Assets or the System, whether or not insured, that materially affects its ability to conduct the Business in a manner consistent with past practice.

7.6 Consents. Seller shall have delivered to Buyer evidence, in form and substance reasonably satisfactory to Buyer, that all the Required Consents have been obtained or given.

7.7 Transfer Documents. Seller shall have delivered to Buyer customary bills of sale, general warranty deeds, assignments and other instruments of transfer sufficient to convey good and marketable title to the Assets in accordance with the terms of this Agreement and otherwise in form and substance satisfactory to Buyer and its counsel.

7.8 Opinions of Counsel. Buyer shall have received the opinions of (a) Honigman Miller Schwartz and Cohn, counsel for Seller, dated the Closing Date, substantially in the form of Exhibit E attached hereto and (b) Dow Lohnes & Albertson, FCC counsel for Seller, dated the Closing Date, substantially in the form of Exhibit F attached hereto.

7.9 Mediacom Equity Investment. Seller shall have completed its one million dollar ($1,000,000) equity investment in Mediacom LLC to the satisfaction of Buyer.

7.10 Discharge of Liens. Seller shall have secured the termination or removal of all Encumbrances of any nature on the Assets, other than Permitted Encumbrances.

7.11 The System. Seller shall have upgraded the cable plant of the System, including all drop materials, to 450 MHz bandwidth capacity in compliance with any applicable Legal

Requirements and shall ensure that each Basic Subscriber and Bulk Unit will have the capacity to receive all programming services capable of being delivered by the System without additional capital costs to Buyer (other than costs for converter equipment to upgrade a basic tier-only Subscriber to the expanded tier, or to offer Pay-Per-View events).

7.12 Material Adverse Change. Financial institutions providing financing to Buyer to consummate the transactions contemplated by this Agreement shall not have exercised the Material Adverse Change clause under the financing commitment letters provided to Buyer.

7.13 Additional Documents and Acts. Seller shall have delivered or caused to be delivered to Buyer all other documents required to be delivered pursuant to this Agreement and done or caused to be done all other acts or things reasonably requested by Buyer to evidence compliance with the conditions set forth in this Article VII.

7.14 Certificates. Seller shall have furnished Buyer with such other certificates of Seller and others, dated as of the Closing Date, to evidence compliance with the conditions set forth in this Article VII, as may be reasonably requested by Buyer.

7.15 CARS License Modification. Seller shall have received modification of its CARS License from the FCC and satisfied all its obligations in connection therewith; provided that if such obligations are not satisfied prior to the Closing Date but Seller shall have complied to the extent reasonably possible to satisfy its covenant set forth in Section 6.16, Seller shall not be deemed to be in breach of Section 6.16 for purposes of Section 10.2.

ARTICLE VIII
CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLER

The obligations of Seller under the Agreement are subject to the satisfaction, at or prior to the Closing Date, of each of the following conditions, any one or more of which may be waived by Seller, in its sole discretion.

8.1 HSR Act. If required under applicable Legal Requirements, all filings required under the HSR Act shall have been made and the applicable waiting period shall have expired or been earlier terminated without the receipt of any objection or the commencement or threat of any litigation by a Governmental Authority of competent jurisdiction to restrain the consummation of the transactions contemplated by this Agreement.

8.2 Governmental or Legal Actions. No action, suit or proceeding shall be pending or threatened by any Governmental Authority and no Legal Requirement shall have been enacted, promulgated or issued or deemed applicable to any of the transactions contemplated by this Agreement by any Governmental Authority that would (a) prohibit Buyer's ownership or operation of the System, the Business or the Assets, (b) result in the imposition of material damages against Seller in connection with the consummation of the transactions contemplated by this Agreement or (c) prevent or make illegal the consummation of the transactions contemplated by this Agreement.

8.3 Accuracy of Representations and Warranties. The representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects as of the date of this Agreement and as of the Closing Date, with the same effect as though made on and as of the Closing Date.

8.4 Performance of Agreements. Buyer shall have performed in all material respects all obligations and agreements and complied or caused to be completed with all covenants and conditions required by this Agreement to be performed or complied with by Buyer at or prior to the Closing Date.

8.5 Opinions of Buyer's Counsel. Seller shall have received the opinion of Cooperman Levitt Winikoff Lester & Newman, P.C., counsel for Buyer, dated the Closing Date, substantially in the form of Exhibit G attached hereto.

8.6 Additional Documents and Acts. Buyer shall have delivered or caused to be delivered to Seller all other documents required to be delivered pursuant to this Agreement and done all other acts or things reasonably requested by Seller to evidence compliance with the conditions set forth in this Article VIII.

8.7 Certificates. Buyer shall have furnished Seller with such other certificates of Buyer and others, dated as of the Closing Date, to evidence compliance with the conditions set forth in this Article VIII, as may be reasonably requested by Seller.

ARTICLE IX
INDEMNITY

9.1 Seller's Indemnity.

A. Seller agrees to indemnify and hold Buyer harmless from, against and in respect of, and shall on demand reimburse Buyer for:

(i) any and all loss, liability or damage resulting from any untrue representation, breach of warranty or nonfulfillment of any covenant or agreement by Seller contained in any Transaction Document to which it is a party;

(ii) any and all obligations of Seller not specifically assumed by Buyer pursuant to the terms of this Agreement, including any and all liabilities arising with respect to the System, Assets and Contracts or other agreements assumed by Buyer and relating to events which occurred prior to the Closing Date, except to the extent adjusted in favor of Buyer pursuant to Section 2.4;

(iii) any claims made by creditors with respect to non-compliance with any bulk sales law relating to this Agreement and the transactions contemplated hereby; and

(iv) any and all actions, suits, proceedings, claims, demands, assessments, judgments, costs and expenses, including without limitation, legal fees and expenses, incident to any of the foregoing or incurred in investigating or attempting to avoid the same or to oppose the imposition thereof, or in enforcing this indemnity.

B. If any claim covered by the foregoing indemnity is asserted against Buyer by a third party, Buyer shall promptly give the Seller notice thereof and give Seller an opportunity to defend the same with counsel of Seller's choice at Seller's expense. Buyer shall provide reasonable cooperation in connection with such defense. In the event that Seller desires to compromise or settle any such claim, Buyer shall have the right to consent to such settlement or compromise; provided, however, that if such compromise or settlement is for money damages only and will include a full release and discharge of Buyer, and Buyer withholds its consent to such compromise or settlement, Buyer and Seller agree that (1) Seller's liability shall be limited to the amount of the proposed settlement and Seller shall thereupon be relieved of any further liability with respect to such claim, and (2) from and after such date, Buyer will undertake all legal costs and expenses in connection with any such claim and shall indemnify Seller from any further liability or obligation to such third party in connection with such claim in excess of the amount of the proposed settlement. If Seller fails to defend any claim within a reasonable time, Buyer shall be entitled to assume the defense thereof, and Seller shall be liable to Buyer for its expenses reasonably incurred, including attorney's fees and payment of any settlement amount or judgment.

C. Notwithstanding anything in this Agreement to the contrary,

(i) Seller shall not be required to indemnify or otherwise be liable to Buyer for any claim unless the losses, liabilities, damages, costs and expenses of Buyer arising from all such claims exceeds $25,000 (other than with respect to any claims based on a breach of the representation set forth in Section 4.23, which claims may be made notwithstanding, and shall not be counted toward, the basket amount). If the losses, liabilities, damages, costs and expenses of Buyer arising from all such claims exceeds $25,000, Seller shall be required to indemnify Buyer for the full amount of all such claims, subject to the other limitations in this Agreement;

(ii) Seller shall not be required to indemnify or otherwise be liable to Buyer for any claim to the extent that the losses, liabilities, damages, costs and expenses of Buyer arising from all such claims exceed in the aggregate $2,500, 000;

(iii) Seller shall not be required to indemnify or otherwise be liable to Buyer for any claim hereunder unless notice of such claim is given to Seller: (a) with respect to any claims based on a breach of the representations and warranties set forth in the first sentence of Section 4.5, and Sections 4.9 and 4.16, within six (6) years after the Closing Date; (b) with respect to any claims based on a breach of the representations and warranties set forth in Section 4.12, prior to the expiration of the applicable statute of limitations relating to the subject matter of such representation and warranty; (c) with respect to any claims arising out of fraudulent conduct involving intentional misrepresentation on behalf of Seller and any claims by third parties against Buyer, within eighteen months after the Closing Date; and (d) with respect to all other claims, within one year after the Closing Date.

9.2 Buyer's Indemnity.

A. Buyer agrees to indemnify and hold Seller harmless from, against and in respect of, and shall on demand reimburse Seller for:

(i) any and all loss, liability or damage resulting from any untrue representation, breach of warranty or nonfulfillment of any covenant or agreement by Buyer contained in any Transaction Document delivered to Seller hereunder;

(ii) any and all obligations of Seller assumed by Buyer pursuant to the terms of this Agreement including any and all liabilities arising under contracts or agreements assumed by Buyer and relating to events which occurred after the date of Closing, except to the extent adjusted in favor of Seller pursuant to Section 2.4; and

(iii) any and all actions, suits, proceedings, claims, demands, assessments, judgments, costs and expenses, including without limitation, legal fees and expenses, incident to any of the foregoing or incurred in investigating or attempting to avoid the same or to oppose the imposition thereof, or in enforcing this indemnity.

B. If any claim covered by the foregoing indemnity is asserted against Seller by a third party, Seller shall promptly give the Buyer notice thereof and give Buyer an opportunity to defend the same with counsel of Buyer's choice at Buyer's expense. Seller shall provide reasonable cooperation in connection with such defense. In the event that Buyer desires to compromise or settle any such claim, Seller shall have the right to consent to such settlement or compromise; provided, however, that if such compromise or settlement is for money damages only and will include a full release and discharge of Seller, and Seller withholds its consent to such compromise or settlement, Seller and Buyer agree that (1) Buyer's liability shall be limited to the amount of the proposed settlement and Buyer shall thereupon be relieved of any further liability with respect to such claim, and (2) from and after such date, Seller will undertake all legal costs and expenses in connection with any such claim and shall indemnify Buyer from any further liability or obligation to such third party in connection with such claim in excess of the amount of the proposed settlement. If Buyer fails to defend any claim within a reasonable time, Seller shall be entitled to assume the defense thereof, and Buyer shall be liable to Seller for its expenses reasonably incurred, including attorney's fees and payment of any settlement amount or judgment.

9.3 Remedies Cumulative; Right to Offset. The remedies provided in this Article IX shall be cumulative and shall not preclude assertion by any party hereto of any other rights or the seeking of any other remedies against the other party as specifically set forth in this Agreement. Without limiting any remedy otherwise available to Buyer under this Agreement, Buyer shall be entitled, but shall not be obligated, to offset any amounts due to Seller under the Senior Subordinated Note against any amounts due to Buyer under this Agreement. Amounts offset by Buyer pursuant hereto shall reduce the outstanding balance due under the Senior Subordinated Note.

ARTICLE X
LIABILITY IN THE EVENT OF A BREACH

10.1 Default by Buyer. If Buyer shall default in the performance of its obligations under this Agreement in any material respect or if, as a result of Buyer's breach of its obligations pursuant to this Agreement, the conditions precedent to Seller's obligation to close specified in Section 8 (other than Sections 8.1 and 8.2) are not satisfied, and Seller shall not then be in default in the performance of its obligations hereunder in any material respect, Seller shall be entitled, as its sole remedy, to terminate this Agreement by written notice to Buyer and to receive the sum of $1,000,000, as liquidated damages, in which event Seller and Buyer shall be discharged from all further liability under this Agreement upon payment of such liquidated damages to Seller. Seller and Buyer agree in advance that actual damages would be difficult to ascertain and that the amount of such liquidated damages is a fair and equitable amount to reimburse Seller for damages sustained due to such default by Buyer of this Agreement.

10.2 Default by Seller. If Seller shall default in the performance of its obligations under this Agreement in any material respect or if, as a result of Seller's breach of its obligations pursuant to this Agreement, the conditions precedent to Buyer's obligation to close specified in Section 7 (other than Sections 7.1 and 7.2 and, for the avoidance of doubt, except to the extent caused solely by Seller's breach of this Agreement, Sections 7.5 and 7.12) are not satisfied, and Buyer shall not then be in default in the performance of its obligations hereunder in any material respect, Buyer shall be entitled, at Buyer's sole option, either:

A. to require Seller to consummate and specifically perform the sale in accordance with the terms of this Agreement, if necessary through injunction or other court order or process, and to recover any costs and expenses incurred by Buyer in connection therewith; or

B. to terminate this Agreement by written notice to Seller, and to recover actual out-of-pocket damages, not including consequential, punitive or exemplary damages, or any other damages.

ARTICLE XI
NOTICES

Any notices or other communications to the Seller or the Buyer, shall be sent by certified or registered mail, return receipt requested, or by telecopier with report of delivery, to the addresses set forth below, or to such other address as Seller or Buyer may designate, from time to time, by written notice to the other:

To Buyer: Mediacom California LLC
90 Crystal Run
Suite 406A
Middletown, New York 10940
Attention: Rocco B. Commisso
Facsimile: (914) 692-9090

with a copy to: Robert L. Winikoff, Esq.
Cooperman Levitt Winikoff
Lester & Newman, P.C.
800 Third Avenue - 30th Floor
New York, New York 10022
Facsimile: (212) 755-2839

To Buyer: Booth American Company
333 West Fort Street
Detroit, Michigan 48226
Attention: President
Facsimile: (313) 202-3390

with a copy to: David Foltyn, Esq.
Honigman Miller Schwartz and Cohn
2290 First National Building
Detroit, Michigan 48226
Facsimile: (313) 962-0176

ARTICLE XII
MISCELLANEOUS

12.1 Entire Agreement. This writing constitutes the entire agreement of the parties with respect to the subject matter hereof and may not be modified, amended or terminated, except by a written agreement specifically referring to this Agreement signed by Buyer and Seller. No waiver of any breach or default hereunder shall be considered valid unless in writing and signed by the party giving such waiver, and no such waiver shall be deemed a waiver of any subsequent breach or default of the same or similar nature.

12.2 Successors and Assigns. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither the Agreement nor any of the rights, interests or obligations hereunder shall be assigned, by operation of law or otherwise, by any party hereto without the prior written consent of the other party, provided, that Buyer may assign this Agreement to any parent or Affiliate of Buyer without the prior written consent of Seller, as long as Buyer remains liable hereunder. Nothing in this Agreement, express or implied, is intended to confer upon any person other than the parties hereto and their respective successors and permitted assigns, any rights, remedies or obligations under or by reason of this Agreement.

12.3 Arbitration. Except for claims for injunctive relief under Sections 6.13, 6.14 and l0.2.A, claims for damages pursuant to Section 10.1 or l0.2.B and third-party claims by one party against the other in any action or proceeding commenced by unaffiliated persons or firms, all claims, disputes and differences hereunder shall be determined by arbitration under the rules then obtaining of the American Arbitration Association in New York City. If $50,000 or more is at issue, the matter shall be heard by a panel of three arbitrators. In such case, Seller and Buyer shall each designate one disinterested arbitrator, and the two arbitrators so designated shall select the third arbitrator. Buyer and Seller agree that in any dispute submitted for arbitration in connection herewith, the "non-prevailing" party shall pay all fees and expenses of the arbitration proceedings incurred by the "prevailing" party if the amount of the award granted to the "prevailing" party is $100,000 or more in excess of the award, if any, granted to the "non-prevailing" party.

12.4 <u>Captions</u>. The paragraph headings contained therein are for the purposes of convenience only and are not intended to define or limit the contents of said paragraphs.

12.5 <u>Counterparts</u>. This Agreement may be executed in one or more counterparts, all of which taken together, shall be deemed one original.

12.6 <u>Governing Law</u>. This Agreement shall be governed and construed in accordance with the laws of the State of New York, without regard to conflict of law provisions in such state.

[Remainder of page intentionally left blank;
Signatures to follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

SELLER:

BOOTH AMERICAN COMPANY

By: /s/ Ralph H. Booth, II

Name: Ralph H. Booth, II

Title: President & CFO

BUYER:

MEDIACOM CALIFORNIA LLC

By: Mediacom LLC, a Manager

Rocco B. Commisso, Manager

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

SELLER:

BOOTH AMERICAN COMPANY

By:

Name:

Title:

BUYER:

MEDIACOM CALIFORNIA LLC

By: Mediacom LLC, a Manager

/s/ Rocco B. Commisso

Rocco B. Commisso, Manager

EXHIBIT 10.8

8/29/96

ASSET PURCHASE AGREEMENT

dated as of August 29, 1996

between

MEDIACOM LLC

and

SAGUARO CABLE TV INVESTORS, L.P.

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made and entered into as of August __, 1996, between Mediacom LLC, a New York limited liability company whose Taxpayer Identification Number is 06-1433421 ("Buyer"), and Saguaro Cable TV Investors, L.P., a Colorado limited partnership whose U.S. Taxpayer Identification Number is 84-1116486 ("Seller").

RECITALS

A. Seller owns and operates cable television Systems (as hereinafter defined) franchised or holding other operating authority to serve areas in and around the communities of Nogales, Rio Rico, Amado and Ajo, Arizona, and located in the Counties of Pima and Santa Cruz, Arizona.

B. Seller is willing to convey to Buyer, and Buyer is willing to Purchase from Seller, substantially all of the assets comprising the Systems and the Business (as hereinafter defined), other than the Excluded Assets (as hereinafter defined), upon the terms and conditions set forth in this Agreement.

AGREEMENTS

In consideration of the mutual covenants and promises set forth herein, Buyer and Seller agree as follows:

ARTICLE I
CERTAIN DEFINITIONS

As used in this Agreement, the following terms, whether in singular or plural forms, shall have the following meanings:

"Accounts Receivable" shall mean, as of the Closing Date, all subscriber, paging, trade or other accounts receivable of Seller, determined in accordance with GAAP, representing amounts owed to Seller in connection with its operation of the Business in the ordinary course of business.

"Affiliate" shall mean, with respect to any Person, any other Person controlling, controlled by or under common control with such Person, with "control" for such purpose meaning the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities or voting interests, by contract or otherwise.

"Agreement" means this Asset Purchase Agreement including all schedules and exhibits attached hereto, as may be amended from time to time.

"Allocation" has the meaning given in Section 2.4(d).

"Assets" has the meaning given in Section 2.1.

"Assumed Obligations and Liabilities" has the meaning given in Section 2.3(a).

"Basic Cable" means the cable television services described as Basic on Schedule 5.11.
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"Bill of Sale" has the meaning given in Section 8.2(a).

"Business" shall mean the paging business and cable television business conducted by Seller through the Systems.

"Business Day" shall mean any day other than Saturday, Sunday or a day on which banking institutions in New York, New York are required or authorized to be closed.

"Business's Financial Statements" has the meaning given in Section 5.13(a).

"Cable Act" means Title VI of the Communications Act of 1934, as amended, 47 U.S.C. (S)(S) 151 et. seq., and all provisions of the Cable Communications
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Policy Act of 1984, Pub. L. No. 98-549, and the Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385, as such statutes may be amended from time to time, and the rules and regulations promulgated thereunder.

"CATV" means Community Antenna Television.

"Closing" has the meaning given in Section 8.1.

"Closing Date" has the meaning given in Section 8.1.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the regulations thereunder, or any subsequent legislative enactment thereof, as in effect from time to time.

"Commercially Reasonable Best Efforts" shall mean such best efforts as do not require the party to (i) undertake extraordinary or unreasonable measures, including, without limitation, the initiation or prosecution of legal proceedings or the payment of fees in excess of normal and usual filing and processing fees or

(ii) assume any additional liability or make any additional commitment.

"Communications Act" means the Communications Act of 1934, as amended.

"Contracts" has the meaning given in Section 2.1(e).

"Copyright Act" means the Copyright Act of 1976, as amended.

"Current Items Amount" has the meaning given in Section 2.6.

"Earnest Money Payment" has the meaning given in Section 2.4(b).

"EBU's" shall mean (i) the number of residential households that subscribe to Basic Cable (exclusive of secondary outlets and courtesy accounts) which pay the standard rate for Basic Cable in each System without discount, each of which has paid in full without discount at least one monthly bill generated in the ordinary course of business, none of which is pending disconnection for any reason, none of which is, as of the Closing Date, delinquent in payment for services for more than sixty days, and none of which has been obtained as a subscriber within the twelve month period preceding the Closing Date by offers made, promotions conducted and discounts given outside the ordinary course of business, plus (ii) the number of equivalent bulk subscribers (determined by dividing the aggregate dollar monthly amount collected from bulk/commercial accounts for Basic Cable by the monthly rates for Basic Cable in each System), each of which has paid in full without discount at least one monthly bill generated in the ordinary course of business, none of which is pending disconnection for any reason, none of which is, as of the Closing Date, delinquent in payment for services for more than sixty days none of which is, as of the Closing Date, delinquent in payment for services for more than sixty days, and none of which has been obtained as a subscriber within the twelve month period preceding the Closing Date by offers made, promotions conducted and discounts given outside the ordinary course of business, provided, there shall be excluded from the definition of EBU any subscriber or equivalent bulk subscriber who comes within the definition of "EBU's" because its account has been compromised or written off within the twelve month period preceding the Closing Date, other than in the ordinary course of business consistent with past practices for reasons such as service interrupted or waiver of late charges but not for the purpose of making it qualify as an EBU.

"Eligible Accounts Receivable" has the meaning given in Section 2.6(a).

"Employee Benefit Plan" means any pension, retirement, profit-sharing, deferred compensation, vacation, severance, bonus, incentive, medical, vision, dental, disability, life insurance or any other employee benefit plan as defined in Section 3(3) of ERISA to which Seller contributes or which Seller sponsors or maintains, or by which Seller is otherwise bound.

"Equipment" has the meaning given in Section 2.1(a).

"ERISA" has the meaning given in Section 5.6.

"Escrow Agent" shall be Bankers Trust, N.A., or such other party as Buyer and Seller shall agree.

"Escrow Agreement" shall mean the Escrow Agreement among Buyer, Seller and Escrow Agent, substantially in the form annexed hereto as Exhibit 2.5.

"Escrow Amount" has the meaning given in Section 2.5.

"Excluded Assets" has the meaning given in Section 2.2.

"Expenses" has the meaning given in Section 2.6(c).

"FAA" means the Federal Aviation Administration.

"FCC" means the Federal Communications Commission.

"Final Adjustment Certificate" has the meaning given in Section 2.7(c).

"Franchises" has the meaning given in Section 2.1(c).

"GAAP" shall mean generally accepted accounting principles as in effect in the United States of America.

"Governmental Authority" means the United States of America, any state, commonwealth, territory, or possession thereof, and any political subdivision or quasi-governmental authority of any of the same, including any court, tribunal, department, bureau, commission or board.

"Hazardous Substances" has the meaning given in Section 5.12(d).

"Indemnitee" has the meaning given in Section 11.3(a).

"Indemnitor" has the meaning given in Section 11.3 (a).

"Initial Adjustment Certificate" has the meaning given in Section 2.7(a).

"Intangibles" has the meaning given in Section 5.16.

"Judgment" means any judgment, writ, order, injunction, award, or decree of any court, judge, justice, magistrate, Governmental Authority or arbitrators.

"Leased Real Property" has the meaning given in Section 2.1(b).

"Legal Requirements" means applicable common law and any statute, ordinance, code or other law, rule, regulation, or order enacted, adopted or promulgated by any Governmental Authority, including, without limitation, Judgments and the Franchises.

"Licenses" has the meaning given in Section 2.1(d).

"Lien" means any security agreement, financing statement filed with any Governmental Authority, conditional sale or other title retention agreement, any lease, consignment or bailment given for purposes of security, any lien, mortgage, indenture, pledge, caption, encumbrance, adverse interest, constructive trust or other trust, claim, attachment, exception to or defect in title or other ownership interest (including, but not limited to, reservations, rights of entry, possibilities of reverter, encroachments, easement, rights-of-way, rights of first refusal, restrictive covenants, leases, and licenses) of any kind that otherwise constitutes an interest in or claim against property, whether arising pursuant to any Legal Requirement, under any Contract or otherwise.

"Litigation" means any claim, action, suit, proceeding, arbitration, investigation, hearing, or other similar activity or procedure that could result in a Judgment.

"Losses" means any claims, losses, liabilities, damages, penalties, costs, and expenses, including, without limitation, reasonable counsel fees and costs and expenses incurred in the investigation, defense or settlement of any claims covered by the indemnification provided for in Article 11 hereof, but shall in no event include incidental or consequential damages.

"Noncompetition Agreement" has the meaning given in Section 3.2.

"Owned Real Property" has the meaning given in Section 2.1(b).

"Partner" means the general partner or any limited partner of Seller, and "Partners" means the general partner and the limited partners of Seller, collectively.

"Pay TV" means premium programming services selected by and sold to subscribers on a per-channel or per-program basis.

"Permitted Lien" means (i) Liens for Taxes that are not yet due and payable or that are being contested in good faith by appropriate proceedings and for which adequate reserves has been established by Seller, (ii) rights reserved to any Governmental Authority to regulate the affected property, (iii) as to leased Assets, interests of the lessors thereof and Liens affecting the interests of the lessors thereof, (iv) inchoate materialmen's, mechanics', workmen's, repairmen's or other like Liens arising in the ordinary course of business, (v) as to any parcel of Owned Real Property or Leased Real Property, Liens that do not in any material respect, individually or in the aggregate, affect or impair the value or use thereof as it is currently being used by Seller in the ordinary course of the business or render title thereto unmerchantable or uninsurable, and (vi) the Liens described on Schedule 5.4.

"Person" means any natural person, Governmental Authority, corporation, general or limited partnership, joint venture, trust, association, limited liability company, or unincorporated entity of any kind.

"Pole Attachment Agreements" means pole attachment authorizations and agreements held by Seller that relate to a System and were granted by a public utility or other Person providing utility services, municipality or other Governmental Authority.

"Purchase Price" has the meaning given in Section 2.4(a).

"Required Consents" shall mean any registration or filing with, consent or approval of, notice to, or action by any Person or Governmental Authority required to permit the transfer of the Assets to Buyer or to permit Seller to perform any of its other obligations under this Agreement, as set forth in Schedule 5.3.

"Rate Regulation Rules" shall mean the FCC rules currently in effect implementing the cable television rate regulations provisions of the Cable Act.

"Required EBU's" shall mean (i) 8,000 EBU's if the Closing Date is on or prior to September 30, 1996 and (ii) 8,100 EBU's if the Closing Date is on or after October 1, 1996.

"Study" shall mean a Phase I environmental study of all Leased Real Property and Owned Real Property which shall be transferred to Buyer pursuant to this Agreement.

"Subscriber Adjustment" has the meaning given in Section 2.7(b).

"Systems" shall mean the cable television reception and distribution systems consisting of one or more headends, subscriber drops and associated electronic and other equipment which are, or are capable of being, operated as an independent system without interconnection with other systems, and which provide cable television service pursuant to the respective Franchises.

"Taxes" shall mean all levies and assessments imposed by any Governmental Authority, including but not limited to income, sales, use, ad valorem, value added, franchise, severance, net or gross proceeds, withholding, payroll, employment, excise or property taxes, and interest, penalties and other government charges with respect thereto.

"Taxing Authority" shall mean any federal, state, local or foreign governmental body or political subdivision with the power to impose Taxes.

"Tax Returns" shall mean any return, report, information return or other document (including any related or supporting information) filed or required to be filed with any Taxing Authority in connection with the determination, assessment, collection, administration or reposition of any Taxes.

"Transaction Documents" shall mean this Agreement, the Escrow Agreement, the Noncompetition Agreement and each other instrument, document, certificate and agreement required or contemplated to be executed and delivered hereunder and thereunder.

"To Seller's knowledge" or the equivalent means to the actual knowledge, after due inquiry, of the general manager of any System or any officer or director of Seller's general partner.

ARTICLE II
PURCHASE AND SALE

Section 2.1 Covenant of Purchase and Sale; Assets. Subject to the terms and conditions set forth in this Agreement, at Closing Seller shall sell, convey, assign, and transfer to Buyer, and Buyer shall acquire from Seller in consideration for the Purchase Price, free and clear of all Liens (except for Permitted Liens, other than those Permitted Liens identified on Schedule 5.4 as Liens to be terminated, released, removed or satisfied as of the Closing Date) , all right, title and interest of Seller or any Affiliate of Seller in all of the assets and properties, real and personal, tangible and intangible, used or held for use by Seller in its operation of the Business (the "Assets"), including, without limitation, the following:

(a) Equipment. All tangible personal property, including, without limitation, towers, tower equipment, antennae, aboveground and underground cable, distribution systems, headend and line amplifiers, feeder line cable, distribution plant, programming signal decoders for each satellite service which scrambles its signal, housedrops, including disconnected housedrops, subscribers' devices (including converters, encoders, transformers behind television sets and fittings), utility poles (if owned by Seller), local origination equipment, vehicles and trailers, microwave equipment, testing equipment, electronic devices, trunk and distribution coaxial and optical fiber cable, power supplies, conduit, vaults and pedestals, grounding and pole hardware, headend hardware (including origination, earth stations, transmission and distribution systems), test equipment, power supplies, pagers and paging units, office and billing computers and other equipment, furniture, fixtures, supplies, inventory, and other physical assets owned, used or held for use by Seller in connection with the Business, including but not limited to the items described on Schedule 2.1 (a) (collectively, the "Equipment").

(b) Real Property. All interests in real property used by Seller in connection with the operation of the Business, including all improvements, fixtures and appurtenances thereon, owned by Seller, described on Schedule 2.1(b) (I), ("Owned Real Property"), or leased by Seller, described on Schedule 2.1(b) (II) ("Leased Real Property"; and together with the Owned Real Property, the "Real Property").

(c) Franchises. All of the existing governmental authorizations for construction, maintenance and operation of the Business (individually, a "Franchise" and collectively, the "Franchises") presently held by Seller as listed on Schedule 2.1(c).

(d) Licenses. The intangible CATV channel distribution rights, cable television relay service (CARS), business radio and other licenses, authorizations, or permits issued by the FCC or any other Governmental Authority (excluding those listed on Schedule 2.1(c)) used in the operations of the Business that are in effect as of the date hereof or entered or obtained in the ordinary course of business between the date hereof and the Closing Date (the "Licenses"), including, without limitation, the Licenses described on Schedule 2.1(d).

(e) Contracts. The leases, private easements or rights of access, contractual rights to easements, Pole Attachment Agreements or joint line agreements, underground conduit agreements, crossing agreements, bulk and commercial service agreements, retransmission consent agreements and must-carry requests, agreements for paging services and other contracts, leases, agreements or understandings relating to the Business in effect as of the date hereof or entered or obtained in the ordinary course of business between the date hereof and the Closing Date as permitted by this Agreement (other than

Excluded Assets) (the "Contracts"), as described on Schedule 2.1(e).

(f) Accounts Receivable. All Accounts Receivable.

(g) Goodwill. The goodwill associated with the Business.

(h) Intangibles. The Intangibles, if any, associated with the Business.

(i) Books and Records. All engineering records, files, data, drawings, blueprints, schematics, reports, lists, plans and processes, maps of the Systems, billing manuals and other data owned by the Seller relating to the billing practices and procedures of the Business, and all files of correspondence, lists, records, and reports concerning customers and subscribers and prospective customers and subscribers of the Systems and the Business, personnel records relating to employees of the Business who are to be hired by Buyer, signal and program carriage, and dealings with Governmental Authorities, including, but not limited to, all reports filed by or on behalf of Seller with the FCC with respect to the Systems and statements of account filed by or on behalf of Seller with the U.S. Copyright Office with respect to the Business.

Section 2.2 Excluded Assets. Notwithstanding the provisions of Section 2.1, the Assets shall not include the following, which shall be retained by Seller (the "Excluded Assets"):

(a) programming and agreements other than those listed on Schedule 2.1(e) (which are to be assigned);

(b) insurance policies and rights and claims thereunder;

(c) bonds, letters of credit, surety instruments, and other similar items;

(d) cash and cash equivalents;

(e) equipment owned by customers of the Business, such as converters purchased by customers, pagers and house wiring;

(f) any agreement, right, asset or property owned or leased by Seller that is not used or held for use in connection with its operation of the Systems;

(g) all claims, rights, and interest in and to refunds of Taxes or fees of any nature, or other claims against third parties, relating to the operation of the Systems prior to the Closing Date;

(h) the account books of original entry, general ledgers and financial records used in connection with the Systems, provided, however, that Seller shall (i) from time to time upon reasonable notice from Buyer, provide to Buyer access to any of such books and records as then may be in Seller's possession, (ii) retain possession of such books and records for a reasonable period, not to exceed three (3) years from the Closing Date (except for Tax-related books and records which shall be retained by Seller for at least seven (7) years from the Closing Date), and (iii) notify Buyer in writing at least thirty (30) days prior to disposing of or destroying any of such books and records and permit Buyer to arrange, at Buyer's cost, for the delivery to Buyer of the books and records proposed to be disposed or destroyed;

(i) subject to the provisions of Section 3.4, Seller's trademarks, trade names, service marks, service names, logos, and similar proprietary rights; and

(j) any other items described on Schedule 2.2.

Section 2.3 Assumed and Retained Obligations and Liabilities.

(a) Assumed Obligations and Liabilities. Subject to the terms and conditions of this Agreement, from and after the Closing Date, Buyer shall assume, pay, discharge, and perform the following (the "Assumed Obligations and Liabilities"):

(i) those obligations and liabilities attributable to periods after the Closing Date under or with respect to any of the Franchises, Licenses or Contracts assumed by Buyer;

(ii) other obligations and liabilities of Seller (including those comprising the Current Liabilities Amount) to the extent that there shall be a reduction in the Purchase Price with respect thereto pursuant to Section 2.6; and

(iii) all obligations and liabilities arising out of Buyer's ownership of the Assets or operation of the Systems and the Business after the Closing Date (including without limitation all obligations and liabilities for adjustments of revenues from the Business and for any rate refunds, rollback, credit, penalty and/or interest payment required by the FCC or local franchising authority relating to the rates charged to customers of the Systems and the Business during any period after the Closing Date for which Buyer received subscriber payments).

(b) Retained Obligations and Liabilities. All obligations and liabilities arising out of or relating to the Assets, the Systems or the Business and all other liabilities and obligations of Seller and each Partner, other than the

Assumed Obligations and Liabilities, shall remain and be the obligations and liabilities solely of Seller or the appropriate Partner (collectively, the "Retained Obligations and Liabilities"). Without limiting the generality of the foregoing, Retained Obligations and Liabilities shall include the following:

(i) all obligations and liabilities arising out of or relating to the Litigation and Judgments relating to periods prior to the Closing Date, including as disclosed on Schedule 5.8;

(ii) unless specifically assumed by Buyer, all obligations and liabilities arising before the Closing Date with respect to the Franchises, Contracts, Owned Real Property and Leased Real Property;

(iii) all obligations and liabilities for adjustment of revenues from the Business and for any rate refunds, rollback, credit, penalty and/or interest payment required by the FCC or local franchising authority relating to the rates charged to customers of the Systems and the Business during any period prior to the Closing Date;

(iv) any liability under any claim relating to the period ending as of the Closing Date that is or, but for the consummation of the transactions contemplated hereby, would have been covered under any insurance policy of Seller, and all liability associated with workmen's compensation claims that relate to the period prior to the Closing Date, whether or not reported or due or payable as of the Closing Date; and

(v) all obligations and liabilities with respect to the Excluded Assets.

Section 2.4 Purchase Price.

(a) Calculation of Purchase Price. As consideration for its purchase of the Assets, Buyer shall pay to Seller a total price of $11,535,000, which amount shall be subject to adjustment under certain circumstances as set forth herein (the "Purchase Price").

(b) Earnest Money Payment. Upon execution of this Agreement, Buyer shall pay to Seller the sum of $50,000 ("Earnest Money Payment") which shall under no circumstances be refundable to Buyer and shall unconditionally become the property of Seller, but shall nonetheless be credited against the amount of the Purchase Price due from Buyer at Closing.

(c) Payment of Purchase Price. At Closing, Buyer shall pay to Seller the balance of the Purchase Price plus or minus the Current Items Amount (as appropriate) as calculated and estimated in the Initial Adjustment Certificate, less any Subscriber Adjustment in accordance with the provisions of Section 2.7(b) and less the Escrow Amount that shall have been deposited by Buyer into the escrow account established pursuant to Section 2.5 below.

(d) Purchase Price Allocation. Attached hereto as Schedule 2.4(d) is the allocation (the "Allocation") of the Purchase Price and the Assumed Obligations and Liabilities to the individual assets or classes of asset (within the meaning of Section 1060 of the Code). Buyer, Seller, each Partner, and their respective affiliates, shall file all Tax returns and schedules thereto (including, without limitation, those returns and forms required by Section 1060 of the Code) consistent with the Allocation unless otherwise required by the applicable Legal Requirements.

Section 2.5 Escrow Amount. On the later of 45 Business Days from the date hereof and September 15, 1996 (unless this Agreement is terminated prior to such date pursuant to Section 9.3), $550,000 of the Purchase Price ("Escrow Amount") shall be deposited by Buyer into an interest bearing escrow account set up and maintained by the Escrow Agent pursuant to the Escrow Agreement. All fees, costs and expenses of the Escrow Agent to be paid pursuant to the Escrow Agreement shall be payable one-half by Buyer and one-half by Seller.

Section 2.6 Current Items Amount. In addition to the payment by Buyer of the Purchase Price, Buyer or Seller, as appropriate, shall pay to the other the net amount of the adjustments and prorations effected pursuant to Sections 2.6(a), (b), and (c) (collectively, the "Current Items Amount").

(a) Eligible Accounts Receivable. Seller shall be entitled to a credit in an amount equal to (i) ninety percent (90%) of the face amount of all Eligible Accounts Receivable that are thirty (30) or fewer days past due as of the Closing Date, (ii) sixty percent (60%) of the face amount of all Eligible Accounts Receivable that are more than thirty (30) but fewer than sixty (60) days past due as of the Closing Date, and (iii) zero percent (0%) of the full amount of Eligible Accounts Receivable that are sixty (60) or more days past due as of the Closing Date, it being understood and agreed that all amounts owed by customers shall be discounted by the percentage discount applicable to the most aged Eligible Account Receivable attributable to such customer. "Eligible Accounts Receivable" shall mean accounts receivable resulting from Seller's provision of cable television service prior to the Closing Date to the Systems' subscribers. For purposes of making "past due" calculations under this paragraph, the monthly billing statements of Seller shall be deemed to be due and payable on the first day of the period during which the service for which such billing statements relate is provided.

(b) Advance Payments and Deposits. Buyer shall be entitled to a credit in an amount equal to the aggregate of (i) all deposits of customers and subscribers of the Systems and the Business, and all interest, if any, required to be paid thereon as of the Closing Date, for converters, decoders, and similar items, and (ii) the appropriate portion of all payments received by Seller for services to be rendered by Buyer including services to subscribers of the Systems, after the Closing Date, or for other services to be rendered by Buyer to other third parties after the Closing Date for cable television commercials, channel leasing, or other services or rentals, or paging, to the extent the obligations of Seller relating thereto are assumed by Buyer at Closing.

(c) Expenses. As of the Closing Date, expenses of a recurring nature that are incurred to benefit the Business and are incurred in the ordinary course of business (the "Expenses"), including those set forth below, shall be prorated, in accordance with GAAP, so that all such Expenses for periods prior to the Closing Date shall be for the account of Seller, and all such expenses for periods after the Closing Date shall be for the account of Buyer:

(i) all Expenses under any of the Franchises, the Licenses, or the Contracts;

(ii) Taxes levied or assessed against any of the Assets or payable with respect to cable television service and related sales to the Systems subscribers or otherwise in connection with the Business;

(iii) Expenses for utilities, municipal assessments, rents and service charges, and other goods or services furnished to the Business; and

(iv) copyright fees based on signal carriage by the Systems.

Provided, however, that Seller and Buyer shall not prorate any Expense payable under or with respect to any Excluded Asset, or any expense for capital expenditures actually incurred or contracted for prior to the Closing Date, all of which shall remain and be solely for the account of Seller.

SECTION 2.7 PURCHASE PRICE AND CLOSING ADJUSTMENTS.

(a) The Initial Adjustment Certificate. No later than fifteen (15) Business Days prior to the Closing Date, Seller shall deliver to Buyer Seller's certificate estimated as of the Closing Date ("Initial Adjustment Certificate") setting forth the number and calculation of EBU's and all adjustments including the Current Items Amount and Subscriber Adjustments, if any, proposed to be made at the Closing as of the Closing Date. Prior to Closing, Seller shall provide Buyer or Buyer's representative with copies of all books and records as Buyer may reasonably request for purposes of verifying the Initial Adjustment Certificate and shall meet with Buyer's accountants and other representatives, but without limiting Seller's obligations hereunder to certify the Initial Adjustment Certificate.

At the Closing, all adjustments will be made on the basis of the Initial Adjustment Certificate, provided Buyer has not given notice to Seller that, in Buyer's opinion, the proposed adjustments are materially incorrect. If Buyer gives notice that in its opinion, the proposed adjustments are materially incorrect, and if the parties have not been able to resolve the matter prior to the Closing Date, any disputed amounts shall be paid by the party to be charged with a disputed adjustment, into escrow, and shall be held by the Escrow Agent in accordance with the Escrow Agreement until the Closing Adjustments are finally determined pursuant to Section 2.7(c), at which time Seller and Buyer shall deliver a joint written notice to the Escrow Agent setting forth appropriate instructions as to the disposition from escrow of such disputed amounts deposited thereunder, in accordance with the Escrow Agreement.

(b) Subscriber Adjustment. The Purchase Price shall be reduced by an amount equal to $1,424 times the difference between the number of Required EBU's and the number of EBU's actually delivered on the Closing Date (the "Subscriber Adjustment").

(c) Trueup of Current Items Amount. As soon as practicable after the Closing Date, and in any event within one hundred twenty (120) days after the Closing Date, Buyer shall deliver to Seller a final calculation calculated as of the Closing Date, of the Current Items Amount, the Subscriber Adjustment, if any, and the number of EBU's, together with such supporting documentation as Seller may reasonably request, in a certificate (the "Final Adjustment Certificate"), which shall evidence in reasonable detail the nature and extent of each calculation. The Final Adjustment Certificate shall be final and conclusive unless objected to by Seller in writing within thirty (30) days after delivery. Seller and Buyer shall attempt jointly to reach agreement as to the amount of the Current Items Amount and Subscriber Adjustment within forty-five (45) days after receipt by Buyer of such written objection by Seller, which agreement, if achieved, shall be binding upon both parties to this Agreement and not subject to dispute or review. If Seller and Buyer cannot reach agreement as to the amount of the closing adjustments within such forty-five (45) day period, Seller and Buyer agree to submit promptly any disputed adjustment to arbitration in accordance with Section 12.12 hereof. Any amounts due Buyer or Seller for closing adjustments shall be paid by the party owing such amount (or, to the extent disputed amounts are held by the Escrow Agent, shall be paid by the Escrow Agent pursuant to joint written instructions of Buyer and Seller in accordance with such final resolution) not later than five (5) Business Days after such amounts shall have become final and conclusive.

ARTICLE III
RELATED MATTERS

SECTION 3.1 HSR ACT COMPLIANCE. Buyer and Seller each agrees that the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, does not require either party to make any filings or take any other action thereunder in connection with the transactions contemplated hereby insofar as the aggregate consideration payable hereunder by Buyer to Seller shall in no event equal or exceed $15,000,000.

SECTION 3.2 NONCOMPETITION AGREEMENT. Seller and R. Michael Kruger each agrees to execute and deliver to Buyer at Closing a five-year noncompetition and confidentiality agreement in the form of Exhibit 3.2 (the "Noncompetition Agreement"). A portion of the Purchase Price, not to exceed $350,000, shall be allocated as compensation for the Noncompetition Agreement.

SECTION 3.3 BULK SALES. Buyer and Seller each waives compliance by the other with all bulk sales Legal Requirements applicable to the transactions contemplated hereby.

SECTION 3.4 USE OF NAMES AND LOGOS. For a period of one-hundred twenty (120) days after Closing, Buyer shall be entitled to use the trademarks, trade names, service marks, service names, logos, and similar proprietary rights of Seller to the extent incorporated in or on the Assets.

SECTION 3.5 TRANSFER TAXES. Seller and Buyer each shall be liable for one-half of all sales, use, transfer, and similar Taxes (other than income taxes) arising from or payable by reason of the transactions contemplated by this Agreement, and each party shall indemnify and hold the other party harmless from and against all Losses arising from Taxes for which it is liable hereunder.

ARTICLE IV
BUYER'S REPRESENTATIONS AND WARRANTIES

Buyer represents and warrants to Seller, as of the date of this Agreement and as of Closing; as follows:

SECTION 4.1. ORGANIZATION OF BUYER. Buyer is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of New York, and has all requisite power and authority to own and lease the properties and assets it currently owns and leases and to conduct its activities as such activities are currently conducted. On or prior to Closing, Buyer (or its assignee which shall assume the obligations of Buyer under this Agreement) shall be qualified to do business and will be in good standing in Arizona and will be qualified to do business and will be in good standing in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary.

SECTION 4.2 AUTHORITY. Buyer has all requisite limited liability company power and authority to execute, deliver, and perform this Agreement and the other Transaction Documents to which it is a party and consummate the transactions contemplated by this Agreement and the other Transaction Documents to which it is a party. The execution, delivery, and performance of this Agreement and each other Transaction Documents to which it is a party and the consummation of the transactions contemplated by this Agreement and each transaction Documents to which Buyer is a party have been duly and validly authorized by all necessary limited liability company action on the part of Buyer. This Agreement has been, and the other Transaction Documents to which Buyer is a party will be on or prior to the Closing, duly and validly executed and delivered by Buyer, and this Agreement and each of the other Transaction Documents to which Buyer is a party constitutes and will constitute on or prior to Closing the valid and binding obligation of Buyer, enforceable against Buyer in accordance with their respective terms, except as may be limited by applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally or the availability of equitable remedies.

SECTION 4.3 NO CONFLICT; REQUIRED CONSENTS. Except as set forth in Schedule 4.3 or except as will not have a material adverse effect on the ability of Buyer to perform its obligations hereunder, the execution, delivery, and performance by Buyer of this Agreement and the other Transaction Documents to which it is a party do not and will not (a) conflict with or violate any provision of the articles of organization or operating agreement of Buyer, (b) violate any provision of any Legal Requirement, (c) conflict with, violate, result in a breach of, or constitute a default under any agreement to which Buyer is a party or by which Buyer or the assets or properties owned or leased by it are bound or affected, or (d) require any consent, approval, or authorization of, or filing of any certificate, notice, application, report, other document with, any Governmental Authority or other Person.

SECTION 4.4 LITIGATION. Except for any Litigation as may affect the cable television industry (national or regional) generally, there is no Litigation pending or, to Buyer's knowledge, threatened by, against, affecting, or relating to Buyer or any of its Affiliates in any court or before any Governmental Authority or any arbitrator that, if adversely determined, would restrain or materially hinder or delay the consummation of the transactions contemplated by this Agreement or cause any of such transactions to be rescinded.

SECTION 4.5 FINDERS AND BROKERS. Buyer has not employed any financial advisor, broker, or finder, or incurred any liability for any financial advisory, brokerage, finder's or similar fee or commission, for which Seller will in any way have any liability in connection with the transactions contemplated by this Agreement.

SECTION 4.6 FULL ACCESS. Buyer's representatives have received access to Seller's books and records and to the facilities and the Assets of the Systems to the extent requested by Buyer, and Seller has cooperated with Buyer to the end that Buyer has been able to conduct its own inspection and investigation of the Systems and the Assets to Buyer's satisfaction and has independently investigated, analyzed and appraised the condition, value, prospects and profitability thereof and performed such other presigning due diligence in connection with the transactions contemplated by this Agreement in accordance with the normal practice of Buyer. Notwithstanding the foregoing, Buyer's investigation shall not limit or effect any of the representations or warranties of the Seller contained in this Agreement.

SECTION 4.7 TAXPAYER IDENTIFICATION NUMBER. Buyer's U.S. Taxpayer Identification Number is as set forth in the introductory paragraph of this Agreement.

ARTICLE V
SELLER'S REPRESENTATIONS AND WARRANTIES

Seller represents and warrants to Buyer, as of the date of this Agreement and as of Closing, as follows:

SECTION 5.1 ORGANIZATION AND QUALIFICATION OF SELLER. Seller is a limited partnership duly organized and validly existing under the laws of the State of Colorado, and has all requisite partnership power and authority to own, lease and use the properties and assets it currently owns, leases and uses and to conduct its activities as such activities are currently conducted. Seller is duly qualified to do business as a foreign limited partnership in Arizona and is not required to be qualified or licensed in any other jurisdiction. Seller's general partner is Arizona and Southwest Cable, Inc., which is a corporation duly organized, validly existing and in good standing under the laws of the State of Arizona, and which has all requisite corporate power and authority to own all its assets and to carry on its business as now conducted. Seller has delivered to Buyer a true and complete copy of the limited partnership agreement of Seller together with all amendments and modifications thereto. Other than the management of the Business by Western Cablesystems, Inc., an Affiliate of Seller, Seller has not conducted the Business through, and none of the Assets are held or owned by, any subsidiary, Affiliate or other entities.

SECTION 5.2 AUTHORITY. Seller has all requisite partnership power and authority to execute, deliver, and perform this Agreement and each other Transaction Document to which it is a party and consummate the transactions contemplated hereby and thereby. The execution, delivery, and performance of this Agreement and each other Transaction Document to which it is a party and the consummation of the transactions contemplated by this Agreement and each other Transaction Document to which Seller is a party have been duly and validly authorized by all necessary partnership action on the part of Seller. This Agreement and each other Transaction Document to which it is a party has been or will be on or prior to the Closing, duly and validly executed and delivered by Seller, and this Agreement and each other Transaction Document to which it is the party constitute and will constitute on or prior to the Closing, the legal, valid, and binding obligation of Seller, enforceable against Seller in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally or the availability of equitable remedies.

SECTION 5.3 NO CONFLICT; REQUIRED CONSENTS.

(a) Except for (i) the Required Consents and (ii) filings, waivers, approvals, actions, authorization, qualifications and consents which, if not made or obtained, would not, individually or in the aggregate, have a material adverse effect on the Assets, the Systems, the Business, Seller's ability to perform its obligations under this Agreement or the other Transaction Documents to which it to a party or, to the best of Seller's knowledge, Buyer's ability to conduct the Business after the Closing in substantially the same manner in which it is currently conducted by Seller, no consent, waiver, approval, action or authorization of, or filing, registration or qualification with, any Governmental Authority is required to be made or obtained by Seller in connection with the execution, delivery and performance of this Agreement or the other Transaction Documents to which it is a party.

(b) Except as described on Schedule 5.3, the execution, delivery, and performance by Seller of this Agreement and each other Transaction Document to which it is a party do not and will not (a) conflict with or violate any provision of the limited partnership agreement of Seller; (b) violate any provision of any Legal Requirement; (c) (i) conflict with, violate, result in a breach of, or constitute a default under (without regard to requirements of notice, passage of time or elections of any Persons), (ii) permit or result in the termination, suspension or modification of, (iii) result in the acceleration of (or give any Person the right to accelerate) the performance of Seller under, any Contract, agreement, or understanding to which Seller is a party or by which Seller or any of the Assets is bound or affected or (d) result in the creation or imposition of any Lien or other encumbrance of any nature whatsoever against or upon any of the Assets; provided that, with respect to (c) and (d) of this Section 5.3, such prohibition shall not apply to a conflict, violation, breach, default, consent or filing that would not impair the ability of Seller to perform hereunder or that would not have an adverse effect on any of the Assets or the financial condition or business of any of the Systems or the Business. Except as described on Schedule 5.3, no approval, application, filing, registration, contract or other action of any Person is required to enable Seller to take advantage of the rights and privileges intended to be conferred by any License or Franchise.

SECTION 5.4 TITLE TO ASSETS; SUFFICIENCY. Except for Permitted Liens, Seller has good and marketable title to (or, in the case of Assets that are leased, valid leasehold interests in) and possession of all of the Assets, free and clear of all Liens. Upon Closing, Buyer will have good and marketable title to and possession of the Assets, free and clear of all Liens (except for Permitted Liens other than those designated Permitted Liens described on Schedule 5.4, which will be terminated, released, removed or satisfied by the Closing Date). Except for the Excluded Assets and except for the absence of various easements, apartment access agreements and/or commercial service agreements permitting Seller to locate cable on real property owned by third parties which individually or in the aggregate does not and will not have a material adverse effect on any of the Assets, the operation of any System or the financial condition or business of any System, the Assets constitute all property and rights, real and personal, tangible and intangible, necessary or required to operate the Business as currently operated and conducted and to prepare and render complete and accurate invoices to the subscribers of the Systems and customers of the Business as currently prepared and rendered; provided, however, that support for the billing system currently used by the Business may not be available after December 31, 1996. Except as set forth on Schedule 5.4, Seller has not signed any Uniform Commercial Code financing statement or any security agreement or mortgage or similar agreement authorizing any Person to file any financing statement or claim any security interest or lien with respect to any of the Assets. Seller has no properties or assets used or held for use in the Business that are not included in the Assets, other than the Excluded Assets; and except for the Excluded Assets, the Assets to be transferred to Buyer at the Closing include all Equipment, Contracts, Franchises, Licenses and other property and assets necessary for the conduct of the Business in the ordinary course of business in substantially the same manner as conducted prior to the Closing Date.

SECTION 5.5 FRANCHISES, LICENSES AND CONTRACTS. Seller has delivered to Buyer true and complete copies of each of the Franchises, Licenses, and Contracts (including without limitation all Contracts with bulk or commercial service accounts of any System) and all amendments, assignments and consents thereto. Except for the Contracts that are Excluded Assets, Seller is not bound or affected by any other material contract, agreement or understanding that relates to the Business. Except as described on Schedule 5.5, other than the Franchises and the Licenses, Seller requires no franchise, license or permit from any Governmental Authority to enable it to operate the Business as currently operated. To Seller's knowledge, except as described in Schedule 5 5 each of the Franchises, Licenses, and Contracts is in full force and effect, is valid, binding and enforceable in accordance with its terms and is valid under and complies in all respects within all applicable Legal Requirements. Except as described on Schedule 5.5, there has not occurred any default by Seller nor, to Seller's knowledge, by any other Person under any of the Franchises, Licenses, or Contracts. Seller has not received from any Governmental Authority a notice of default under any Franchise or License that would require it (in order to preserve its right to assert that a Governmental Authority has waived a default) to provide written notice to a Governmental Authority of its failure or inability to cure a default under such Franchise or License.

SECTION 5.6 EMPLOYEE BENEFITS. Neither Seller nor any Employee Benefit Plan (as defined in the Employer Retirement Income Security Act of 1974, as amended ("ERISA"), maintained by Seller or by its general partner is in violation of the provisions of ERISA; no reportable event, within the meaning of Sections 4043 (c) (1), (2), (3), (5), (6), (7), (10) or (13) of ERISA has occurred and is continuing with respect to any such Employee Benefit Plan; and no prohibited transaction within the meaning of Title I of ERISA has occurred with respect to any such Employee Benefit Plan. Buyer is not required under ERISA, the Code or any collective bargaining agreement to establish, maintain or continue any Employee Benefit Plan maintained by Seller or any of Seller's Affiliates or Partners.

SECTION 5.7 EMPLOYEES.

(a) Except as set forth in Schedule 5.7, there are no collective bargaining agreements applicable to any Person employed by Seller that renders services in connection with the Systems or the Business, and Seller has no duty to bargain with any labor organization with respect to any such Person. There are not pending any unfair labor practice charges against Seller, nor is there any demand for recognition or any other request or demand from a labor organization for representative status with respect to any Person employed by Seller that renders services in connection with the Systems or the Business.

(b) Seller is in substantial compliance with all applicable Legal Requirements respecting employment conditions and practices, has withheld and paid all amounts required by any applicable Legal Requirements or Contracts to be withheld from the wages or salaries of its employees, and is not liable for any arrears of wages or any Taxes (other than wages and Taxes that have not become due or payable) or penalties for failure to comply with any of the foregoing.

(c) Seller has not engaged in any unfair labor practice within the meaning of the National Labor Relations Act and has not violated any Legal Requirement prohibiting discrimination on the basis of race, color, national origin, sex, religion, age, marital status, or handicap in its employment conditions or practices. There are no pending or, to Seller's knowledge, threatened unfair labor practice charges or discrimination complaints relating to race, color, national origin, sex, religion, age, marital status, or handicap against Seller before any Governmental Authority.

(d) There are no existing or, to Seller's knowledge, threatened labor strikes, disputes, grievances, or other labor controversies affecting the Business. There are no pending or, to Seller's knowledge, threatened representation questions respecting Seller's employees. There are no pending or, to Seller's knowledge, threatened arbitration proceedings under any Contracts.

(e) Except as set forth on Schedule 5.7, Seller is not a party to any employment agreement, commitment, arrangement or understating, written or oral, relating to employees or consultants of the Business.

(f) Schedule 5.7 sets forth a true and complete list of the names, social security numbers, titles, job descriptions, and rates of compensation of all of the employees of the Business, including the length of time such employee has been employed with the Seller, whether such employee is full time or part time, and any bonus or other direct or indirect compensation and employee benefits.

SECTION 5.8 LITIGATION. Except as set forth on Schedule 5.8 and any Litigation or Judgment affecting the cable television industry generally, there is no Litigation or Judgment outstanding or pending or to Seller's knowledge, threatened, involving or affecting the Systems, the Assets or the Business. To Seller's knowledge, no facts or circumstances exist that could reasonably be expected to give rise to any such Litigation or Judgment that will have a material adverse effect on the financial condition or operation of any of the Systems, the Assets, the Business or the ability of Seller to perform its obligations under this Agreement or the other Transaction Documents to which it is a party, or that seeks or could result in the modification, revocation, termination, suspension, or other limitation of any of the Franchises, Licenses or Contracts.

SECTION 5.9 TAX RETURNS; OTHER REPORTS. Seller has as of the date hereof, and will have as of the Closing Date, timely filed in proper form all Tax Returns and all other reports that reasonably may affect Buyer's rights to and ownership of the Assets, the Systems or the Business that are required to be filed as of the date hereof, or which are required to be filed on or before the Closing Date, as the case may be, and all such Tax Returns were prepared in good faith and are accurate and complete in all material respects, and, to the best of Seller's knowledge, there is no basis for assessment of any addition to any Taxes shown thereon. Except as set forth on Schedule 5.9, all Taxes due or payable by Seller and the Partners on or before the date hereof or the Closing Date, as the case may be, the non-payment of which could result in a lien upon the Assets, any of the Systems or the Business (including any Taxes, liabilities or amounts owing resulting from liability of Seller as the transferee of the assets of, or successor to, any other corporation or entity or resulting by reason of Seller having been a member of any group of corporations filing a consolidated, combined or unitary Tax Return) have been or will be timely paid, except to the extent any such Taxes (as set forth as of the date hereof on Schedule 5.9) are being contested in good faith by appropriate proceedings by Seller and for which adequate reserves for any disputed amounts shall have been established in accordance with GAAP. Except as set forth on Schedule 5.9, as of the date hereof, there has been no Tax examination, audit, proceeding or investigation of Seller, or with respect to the Assets, the System or the Business, by any relevant Taxing Authority, and Seller does not have any outstanding Tax deficiency or assessment. Except as set forth on Schedule 5.9, there are no pending or, to the best of Seller's knowledge, threatened actions, audits, examination, proceedings or investigations, by any relevant Taxing Authority with respect to Seller, the Assets, the Systems, or the Business. There is no outstanding request for an extension of time within which to pay any Taxes with respect to Seller, the Assets, the Systems or the Business. Seller has withheld and paid in a timely manner to all relevant Taxing Authorities all payments for withholding Taxes, unemployment insurance and other amounts required to be withheld and paid. All Taxes of or with respect to Seller, the Assets, the Systems and the Business relating to the period prior to the Closing shall be the responsibility of Seller.

SECTION 5.10 SYSTEM COMPLIANCE.

(a) Except as otherwise expressly provided herein and in the Schedules hereto, Seller's operation of each of the Systems and the Business is in material compliance with all applicable Legal Requirements, including without limitation, the Communications Act, the Copyright Act, the Cable Act, the Occupational Safety and Health Act, and the rules and regulations of the FCC, the United States Copyright Office, and the Equal Employment Opportunity Commission including, without limitation, rules and laws governing system registration, use of aeronautical frequencies and signal carriage, equal employment opportunity, cumulative leakage index testing and reporting, signal leakage, and subscriber privacy, 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 on the Assets, the Systems or the Business. 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 on the Assets, the Systems or the Business and except as set forth in Schedule 5.10 hereto:

(i) the Franchises have been registered with the FCC;

(ii) all of the annual performance tests on each of the Systems required under the rules and regulations of the FCC have been performed to 330 MHZ, except the Ajo System which have been performed to 300 MHZ, and the results of such tests demonstrate satisfactory compliance with the applicable requirements being tested in all material respects;

(iii) each of the Systems concurrently meet or exceed the technical standards set forth in the rules and regulations of the FCC, including, without limitation, the leakage limits contained in 47 C.F.R. Section 76.605(a) (11);

(iv) each of the Systems is 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) to the extent applicable;

(v) each of the Systems is 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, CARS station licenses, business radios and frequencies utilized and carried by the Systems have been obtained; and

(vi) all notices to subscribers of the Systems required by the rules and regulations of the FCC have been provided.

(b) 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 off-air signals by the Systems have been duly filed, and the proper amount of copyright fees have been paid on a timely basis (except as to potential copyright liability arising from the performance, exhibition or carriage of any music on the Systems which applies to or affects the cable television industry generally), and the Systems qualify 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 an adverse effect on the Assets, the Systems or the Business.

(c) The carriage of all television station signals (other than satellite super stations) by the Systems is permitted by valid transmission consent agreements or by must-carry elections by broadcasters.

(d) Seller is in compliance with its obligations with regard to protecting the privacy rights of any past or present customers of the Systems except to the extent that failure to so comply could not (either individually or in the aggregate) reasonably be expected to have an adverse effect on the Assets, the Business or the Systems.

(e) To the best of Seller's knowledge, the Assets are adequate and sufficient for all of the current operations of the Systems except as set forth in this Agreement and as described in the Schedules attached hereto.

(f) To Seller's knowledge, the Systems are not subject to effective competition (as defined in the Cable Act and any FCC Legal Requirements) as of the date hereof.

(g) No Governmental Authority has notified Seller of its application to be certified to regulate rates with respect to any of the Systems as provided in 47 C.F.R. Section 76.910.

(h) No Governmental Authority has notified Seller that it has been certified to regulate basic service rates and has adopted regulations required to commence such regulation with respect to any of the Systems as provided in 47 C.F.R. Section 76.910 (e) (2).

(i) Except to the extent that a Governmental Authority regulates rates pursuant to the Rate Regulation Rules, Seller is not aware of any reason that the Seller cannot continue to charge its current programming rates in connection with the Seller's operation of the Systems in compliance with the Cable Act and the Rate Regulation Rules.

(j) To Seller's knowledge, no reduction of rates or refunds to subscribers is required as of the date hereof.

(k) Seller is in compliance with its obligations under 47 C.F.R. Part 17 concerning the construction, marking and lighting of antenna structures used by Seller in connection with the operation of each of the Systems.

SECTION 5.11 SYSTEMS INFORMATION.

(a) As of June 1, 1996, the Systems include not less than 10,800 homes passed by energized cable (i.e., homes (including apartments and commercial units) for which cable service may be provided solely by the installation of a drop line without addition of trunk or feeder cable), and not more than 200 miles of energized cable plant, of which not more than 70 miles are of underground construction. There are no pending rate complaints (as defined pursuant to FCC Legal Requirements) filed by subscribers or other users of the Systems with any Governmental Authority.

(b) Schedule 5.11 sets forth with reasonable accuracy and completeness the following information as of June 30, 1996 with respect to each of the Systems and the Business:

(i) a description of the Systems' physical plant and bandwith capacity;

(ii) coordinates of locations, and System central point coordinates and radius for FCC purposes;

(iii) inventory of plant materials;

(iv) a summary of services, the number of subscribers to each, and the rate charged currently and for the prior three (3) years, a summary of bulk subscribers and revenues, and a calculation, without duplication, of EBU's, including, without limitation, the number of residential and bulk subscribers in each System and revenue thereof in each System;

(v) a listing of communities served, for FCC purposes, by the Systems;

(vi) for each headend, a list of video channels and frequencies used, content, and source

(vii) installation charges;

(viii) a description of Seller's past and current marketing programs and practices, including those which are expected to be continued or implemented prior to the Closing Date;

(ix) Seller's 1994 annual statement of Customer Policies and Required Notices, and Notice of Protection of Subscriber Privacy;

(x) a description of Seller's repair, manufacturing and equipment enhancement activities;

(xi) a list of free and courtesy connections; and

(xii) a description of the paging business, including services offered, marketing practices, rates charged, inventory and the customer agreement.

SECTION 5.12 ENVIRONMENTAL.

(a) To Seller's knowledge, none of the Real Property is listed on the National Priorities Lists or the Comprehensive Environmental Response, Compensation, Liability Information System ("CERCLIS"), or is the subject of any "Superfund" evaluation or investigation, or any other investigation or proceeding of any Governmental Authority evaluating whether any remedial action is necessary to respond to any release of Hazardous Substances on or in connection with the Real Property.

(b) To Seller's knowledge, except as described on Schedule 5.12, no surface impoundments or underground storage tanks are located in or on the Real Property. Any such tanks have been duly registered with all appropriate Governmental Authorities in accordance with all applicable Legal Requirements.

(c) To the knowledge of Seller, Seller is in compliance in all material respects with, and holds all permits, licenses and authorizations required under, all Legal Requirements with respect to pollution or protection of the environment, including Legal Requirements relating to actual or threatened emissions, discharges, or releases of Hazardous Substances into the ambient air, surface water, ground water, land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Substances. Seller has received no notice of, and currently Seller does not have knowledge of any past or present condition, circumstance, activity, practice or incident (including without limitation, the presence, use, generation, manufacture, disposal, release or threatened release of any Hazardous Substances from or on the Real Property) that could reasonably be expected to interfere materially with, prevent continued substantial compliance with, or result in any Losses pursuant to any Legal Requirement with respect to pollution or protection of the environment or that is reasonably likely to give rise to any material liability, based upon or related to the processing, distribution, use, treatment, storage, disposal, transport, or handling, or the emission, discharge, release, or threatened release into the environment of any Hazardous Substance on, from or attributable to the Real Property.

(d) For these purposes, the term "Hazardous Substances" includes any substance heretofore or hereafter designated as "hazardous" or "toxic," including, without limitation, petroleum and petroleum related substances, or having characteristics identified as "hazardous" or "toxic" under any Legal Requirement including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 U.S.C. Section 9601 *et seq.*, the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, *et seq.*, the Federal Water Pollution Control Act, 33 U.S.C. Section 1247, *et seq.*, the Clean Air Act, 42 U.S.C. Section 2001, *et seq.*, and the Community Right to Know Act, 42 U.S.C. Section 11001, *et seq.*, all as amended.

SECTION 5.13 FINANCIAL AND OPERATIONAL INFORMATION. Seller has delivered to Buyer correct and complete copies of the Business's audited balance sheet and related statements of operations, income, changes in financial position and statements of income and cash flows for the years ended December 31, 1993, 1994 and 1995, and an unaudited balance sheet and statements of profit and loss and cash flow of the Business for the six months ending June 30, 1996 (the "Business's Financial Statements"). The Business's Financial Statements have been prepared in the ordinary course of business, are based on the books and records of the Seller, were prepared in accordance with GAAP consistently applied and present fairly the financial condition and results of operations of the Business as of the dates and for the periods indicated, with no material differences between such financial statements and the financial records maintained by Seller. Upon the reasonable request of Buyer setting forth a description of the items requested, Seller will make available to Buyer, correct and complete copies of all filings made to Governmental Authorities with respect to the Business.

SECTION 5.14 NO ADVERSE CHANGE; OPERATIONS OF THE BUSINESS. Except for conditions affecting the cable television industry as a whole, (i) there has been no material adverse change in, and no event has occurred which, so far as reasonably can be foreseen, is likely, individually or in the aggregate to result in any material adverse change in the Assets, the Business, liabilities, financial condition, operations, earnings or business prospects of the Business; (ii) the Assets or the operations of the Business have not been materially and adversely affected as a result of any fire, explosion, accident, casualty, labor trouble, flood, drought, riot, storm, condemnation, act of God, public force or otherwise or any theft, damage, removal of property, destruction or other casualty loss; (iii) Seller has not made any sale, assignment, lease or other transfer of any of the properties relating to the Business other than in the normal and ordinary course of business; (iv) Seller has continued the pricing policies and has conducted the promotional, advertising and other business and operational activities with respect to the Business (including, without limitation, billing, collection, subscriber relations, and construction and joint trenching activities) substantially and materially in the normal and ordinary course of business consistent with past practices and cable television industry practices; (v) there has been no amendment or termination of any License, Franchise or any Contract; (vi) there has been no waiver or release of any material right or claim against any third party relating to the Business; (vi) there has been no material labor dispute or union activity with respect to or by Seller's employees which affects the operation of the Business; and (vii) there has been no agreement by Seller to take any of the actions described in the preceding clauses (i) through (vi), except as contemplated by this Agreement.

SECTION 5.15 TAXPAYER IDENTIFICATION NUMBER. Seller's U.S. Taxpayer Identification Number is as set forth in the introductory paragraph of this Agreement.

SECTION 5.16 INTANGIBLES. Seller neither uses nor holds any copyrights, trademarks, trade names, service marks, service names, logos, licenses, permits or other similar intangible property rights and interests ("Intangibles") in the operations of the Business that does not incorporate the name "Saguaro," or variations thereof. In the operation of the Business, Seller is not aware that it is infringing upon or otherwise acting adversely to the intangible property rights and interests owned by any other

Persons, and there is no claim or action pending or, to Seller's knowledge, threatened with respect thereto. Schedule 5.16 contains a true, correct and complete list of all Intangibles which are material to the operation of the Business.

SECTION 5.17 ACCOUNTS RECEIVABLE. The Accounts Receivable have not been assigned to or for the benefit of any Person and are actual and bona fide receivables representing obligations for the total dollar amount thereof shown on the books of Seller, resulting from the ordinary course of Seller's business. The Accounts Receivable are fully collectible in accordance with their terms, subject to no offset or reduction of any nature except for a reserve for uncollectible accounts consistent with the reserve established by Seller in its most recent balance sheet delivered to Buyer in accordance with Section 5.13 and statutory rights of offset which may be asserted against amounts held as deposits.

SECTION 5.18 BONDS. Except as set forth on Schedule 5.18, there are no franchise, construction, fidelity, performance, or other bonds posted by Seller in connection with the Business.

SECTION 5.19 EXCLUSIVITY. Except for nationally distributed satellite services and as set forth on Schedule 5.19, (i) Seller is currently the only Person providing wireline or wireless cable television services or similar video programming or related services within all or part of the geographic areas served by the Systems; (ii) no Person other than Seller has been granted a presently valid franchise or has a pending application for a franchise in the communities or unincorporated areas presently served by the Systems; (iii) Seller has no knowledge of any Person currently intending to apply for such a franchise; (iv) no construction programs have been undertaken, or to Seller's knowledge, are proposed or threatened to be undertaken, by any municipality or other cable television, multichannel multipoint distribution systems or multipoint distribution system provider or operator in any area served by the Systems. Seller is not, nor is an Affiliate of Seller, a party to any agreement restricting the ability of a third party to operate cable television systems in the areas of the Systems.

SECTION 5.20 RIGHTS IN ASSETS. Except as set forth in Schedule 5.20, no Person (including any Governmental Authority) has any right to acquire an interest in any of the Systems or any of the Assets or the Business (including any right of first refusal or similar right), other than rights of condemnation or eminent domain afforded by law (none of which has been exercised and no proceedings therefor have been commenced). Each Person that has such a right of first refusal or similar right arising as a result of the proposed sale of the Business as contemplated hereby has expressly declined to exercise such right and has no further legal or contractual ability to hinder or prevent Seller's performance in accordance with the terms of this Agreement.

SECTION 5.21 TRANSACTIONS WITH AFFILIATES AND EMPLOYEES. Except as set forth in Schedule 5.21, there is no lease, sublease, indebtedness, contract, agreement, understanding, or other arrangement of any kind entered into by Seller with respect to the Business with any employee, Affiliate or Partner of the Seller which will be an Assumed Obligation and Liability.

SECTION 5.22 DISCLAIMER OF WARRANTY. Seller shall not be liable for or bound in any manner by, and Buyer has not relied upon, any express or implied, oral or written information, warranty, guaranty, promise, statement, inducement or representation pertaining to the Business (including projections as to income from and expense of any System, or the uses which can be made of, or the value, prospects or profitability of such System), except as is expressly set forth in this Agreement, in the Schedules attached to this Agreement or in the Business's Financial Statements.

SECTION 5.23 REAL PROPERTY. Schedule 2.1(b) sets forth a list and description of all Owned Real Property and Leased Real Property, and is true, complete and accurate in all respects. Seller is holding, or shall hold at Closing, title in fee simple to the Owned Real Property, and the leasehold interests to all Leased Real Property, including Real Property hereafter acquired, in each case free and clear of any Liens, except for Permitted Liens. At the Closing, Seller shall have and shall transfer to Buyer (i) good and marketable fee simple title to all its Owned Real Property and (ii) its leasehold interests in and to all Leased Real Property, free and clear of any and all Liens (except for Permitted Liens). There are not pending or, to the best of Seller's knowledge, threatened, any condemnation actions or special assessments or any pending proceedings for changes in the zoning with respect to such Real Property or any part thereof and Seller has not received any notice of the desire of any public authority or other entity to take or use any Real Property or any part thereof. To Seller's knowledge, there is no material defect in any of the structures on the Real Property which would interfere with the current use of such structures or Buyer's ability to utilize such structures in substantially the same manner in which they are currently used by Seller. Each parcel of Real Property has access to all public roads, utilities, and other services necessary for the operation of the relevant System with respect to such parcel and except for the absence of various easements, apartment access agreements and/or commercial service agreements permitting Seller to locate cable on real property owned by third parties which individually or in the aggregate does not and will not have a material adverse effect on any of the Assets, the operation of any System or the financial condition or business of any System, Seller has complied with or otherwise resolved to the satisfaction of the relevant Government Authority, all notices or orders to correct violations of Legal Requirements issued by any Governmental Authority having jurisdiction against or affecting any of the Real Property. All leases and subleases pursuant to which any of the Real Property is occupied or used are set forth on Schedule 2.1(b) and such leases and subleases are valid, subsisting, binding and enforceable in accordance with their respective terms and there are no existing defaults thereunder or events that with notice or lapse of time or both would constitute defaults thereunder. Seller has not nor, to the best of Seller's knowledge, has any other party to any contract, lease or sublease relating to any Leased Real Property given or received notice of termination, and, to the best of Seller's knowledge, subject to the receipt of any Required Consents, the consummation of the transactions contemplated by this Agreement will not result in any such termination. Subject to the receipt of Required Consents, Seller is not nor will it be, as a result of the transactions contemplated by this Agreement, with the giving of notice or the passage of time or both, in breach of any provision of any contract, lease or sublease relating to any Real Property. All easements, rights-of-way and other rights which are necessary for Seller's current use of any Real Property are valid and in full force and effect, and Seller has not received any notice with respect to the termination or breach of any of such easements, rights-of-way or other similar rights.

SECTION 5.24 EQUIPMENT. Schedule 2.1(a) contains a list of all Equipment used or held for use by Seller in the operation of the Business. To the best of Seller's knowledge, except as set forth on Schedule 5.24, all of the tools, test equipment, office equipment and office furniture listed on Schedule 2.1(a) are and will be at Closing in good operating condition and repair (reasonable wear and tear excepted) and fit for the purpose they are being used.

SECTION 5.25 NO OTHER CONSENTS. Seller has obtained and is in material compliance with all consents, approvals, authorizations, waivers, orders, licenses, certificates, permits and franchises from, and has made all filings with, any Governmental Authority and other Persons required for the operation of the Systems and the Business as presently operated, all of which are in full force and effect and enforceable in accordance with their respective terms and comply with all applicable Legal Requirements, except for such failures which do not or could not, individually or in the aggregate, be expected to have a material adverse effect on the Systems or the Business. Except as set forth on Schedule 5.25, no consent, authorization, approval, waiver, order, license, certificate or permit of or from or declaration or filing with any Governmental Authority or other Person is necessary to preclude any cancellation, suspension, termination or reformation of any Contract, other than such consents, authorizations, approvals, waivers, orders, licenses, certificates or permits which do not or could not, individually or in the aggregate, have a material adverse effect on the Systems or the Business.

SECTION 5.26 NO UNDISCLOSED LIABILITIES. Except as and to the extent set forth on Schedule 5.26, Seller does not have any liability or obligation (direct or indirect, absolute, fixed, contingent or otherwise) arising out of the Assets or conduct of the Business which was not reflected or reserved on the Business' Financial Statements, and Seller has not incurred any such liability or obligation since the last day of the last Business' Financial Statement, other than in the ordinary course of business.

SECTION 5.27 LIABILITIES TO SUBSCRIBERS. There are no obligations or liabilities to subscribers of the Systems or other customers of the Business except with respect to (i) prepayments or deposits made by such subscribers or customers in the ordinary course of business consistent with past practices as set forth in the Business's Financial Statements or, since the last day of the monthly financial statements of the Business delivered to Buyer and (ii) the obligation to supply services to subscribers and customers in the ordinary course of business in accordance with and pursuant to the terms of the Licenses, Franchises and Contracts.

SECTION 5.28 RESTORATION. No property of any Person has been damaged, destroyed, disturbed or removed in the process of construction or maintenance of the Business, which has not been, or will not be, prior to the Closing, repaired, restored or replaced, or as to which an adequate reserve has not been established by Seller.

SECTION 5.29 CERTAIN PROGRAMMING ARRANGEMENTS AND RELATIONSHIPS. Except as set forth on Schedule 5.29, Seller is not a party to any programming contract with any Person providing for any exclusive arrangement with respect to the provision of programming to Seller or the Systems. Except as set forth on Schedule 5.29, neither Seller nor any of its Affiliates has any affiliation with (other than on a third party basis), equity interest in, profit participation in, contractual right to acquire any such interest or participation, or any other relationship with any Person that provides programming to the Systems. Seller has not entered into any arrangement with any community groups or similar third parties restricting or limiting the types of programming which may be shown on the Systems.

SECTION 5.30 FINDERS; BROKERS AND ADVISORS. Except for the engagement of Waller Capital Corporation, with respect to which Seller shall have sole responsibility for the payment of all amounts owed, Seller has not employed any financial advisory, broker or finder or incurred any liability for any financial advisory, brokerage, finder's or similar fee or commission in connection with the transactions contemplated by its Agreement and Seller is not aware of any claim or basis for any claim for payment of, or any unpaid liability to any Person for any fees or commissions or like payments with respect to the negotiations leading to this Agreement or the consummation of any of the transactions contemplated by this Agreement.

SECTION 5.31 DISCLOSURE. No representation or warranty by Seller contained in this Agreement (including the exhibits and schedules hereto), and no statement contained in any document, certificate or other instrument furnished to Buyer by or on behalf of Seller (excluding drafts of any thereof) pursuant hereto contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary in order to make the statements contained herein or therein not misleading. Except for matters affecting the cable television industry generally, there is no fact known to Seller which could reasonably be expected to materially adversely affect the Business, any of the Systems or the Assets which has not been set forth in this Agreement.

ARTICLE VI
COVENANTS

SECTION 6.1 CERTAIN AFFIRMATIVE COVENANTS OF SELLER REGARDING THE SYSTEMS. Except as Buyer may otherwise consent in writing, between the date of this Agreement and Closing, Seller shall:

(a) (i) operate the Business in the ordinary course of business consistent with Seller's past practices; (ii) perform all of its obligations under all of the Franchises, Licenses, and Contracts without breach or default; (iii) operate the Business in substantial compliance with all applicable Legal Requirements; (iv) continue the pricing, marketing, advertising, promotion and other activities with respect to the Business and each System (including without limitation billing, collection, subscriber, and construction and joint trenching matters) substantially and materially in the normal and ordinary course of business consistent with Seller's past practices; and (v) use its Commercially Reasonable Best Efforts to (A) preserve the current business organization of the Business intact, including preserving existing relationships with Persons having business with the Business, (B) keep available the services of its employees providing services in connection with the Business, and (C) maintain inventories of equipment and supplies at historic levels and consistent with good industry practices;

(b) provide Buyer and its counsel, lenders, accountants, and other representatives access to the Business, the employees of the Business, the Owned real property and Leased Real Property, the other Assets and Seller's books and records relating to the Business during normal business hours, provided that such access shall not unreasonably disrupt the normal business operations of the Business, and provided further, that no investigation by Buyer shall affect or limit the scope of any representations and warranties of Seller herein or otherwise limit liability for any breach of such representations and warranties of Seller;

(c) as soon as practicable after the date of this Agreement, and at its expense, make all filings, and exercise Commercially Reasonable Best Efforts to obtain in writing as promptly as practicable all approvals, authorizations and consents described on Schedule 5.3 and deliver to Buyer copies thereof promptly upon receiving them;

(d) promptly deliver to Buyer copies of any monthly and quarterly financial statements for the Business and other reports with respect to the operation of the Business regularly prepared by Seller at any time from the date hereof until Closing;

(e) promptly inform Buyer in writing of any material adverse change in the condition (financial or otherwise), operations, assets, liabilities, business or prospects of the Business or the Assets, including, without limitation, (a) any damage, destruction, loss (whether or not covered by insurance) or other event materially affecting any of the Assets, the Systems or the Business, (b) any notice of violation, forfeiture or complaint under any Licenses or Franchises, or (c) anything which, if not corrected prior to the Closing Date, will prevent Seller from fulfilling any condition to Closing described herein;

(f) continue to carry and maintain in full force and effect its existing bonds and casualty and liability insurance with respect to the Business through and including the Closing Date;

(g) maintain its books, records and accounts with respect to the Assets and the operation of the Business in the usual, regular and ordinary manner on a basis consistent with past practices and pay, consistent with past practices, all accounts payable and other debts, liabilities and obligations relating to the Business;

(h) maintain the Assets, including the plant and Equipment related thereto, in accordance with past practices and in compliance with the terms of this Agreement, fulfill installation requests in the normal course of business, and make routine capital expenditures in accordance with past practices and good industry practice which are necessary to maintain the normal operations of the Systems and the Business, including, but not limited to, completing ongoing line extensions, placing conduit or cable in new developments, fulfilling installation requests, and continuing work on existing construction projects;

(i) continue to implement its procedures for disconnection and discontinuance of service to System subscribers whose accounts are delinquent in accordance with those in effect on the date of this Agreement;

(j) report and write off Accounts Receivable in accordance with past practices;

(k) withhold and pay when due all Taxes relating to employees of the Business, the Assets, and/or the System;

(l) maintain service quality of the Systems at a level at least consistent with past practices;

(m) file with the FCC all reports required to be filed under applicable FCC rules and regulations, and otherwise comply with all Legal Requirements with respect to the Business; and

(n) effect and facilitate the transition of the operation of the Systems from Seller to Buyer as contemplated by this Agreement.

SECTION 6.2 CERTAIN NEGATIVE COVENANTS OF SELLER. Except as Buyer may otherwise consent in writing, which consent may be withheld at Buyer's sole discretion, or as otherwise contemplated by this Agreement, between the date hereof and Closing, Seller shall not do or cause to be done any of the following:

(a) enter into, modify, terminate, renew, suspend, or abrogate any Franchise, License or material Contract other than in the ordinary course of business, provided that for purposes of this clause (a) a material Contract shall mean a Contract pursuant to which Seller would incur either monetary liabilities which, after the Closing Date, would exceed $10,000 individually or liabilities in the aggregate in excess of $30,000 or a material non-monetary obligation;

(b) enter into, modify, or renew any retransmission consent agreement other than an agreement which contains materially the same terms as such retransmission consent agreement which is indicated on Schedule 2.1(e) contains, provided that if Buyer does not participate in the negotiations of any new, modified or renewed retransmission agreement or if Buyer does not approve the terms of any such agreement, Buyer has the right to terminate this Agreement by written notice to the Seller. Seller shall not be entitled to recover any damages from the Buyer in connection with a termination pursuant to this Section 6.2(b);

(c) sell, assign, lease or otherwise dispose of any of the Assets, unless such Assets are consumed or disposed of in the ordinary course of business or in conjunction with the acquisition of replacement property of equivalent kind and value, or are no longer used or useful in the business or operation of the Systems;

(d) create, assume, or permit to exist any Lien upon any Asset other than Permitted Liens;

(e) except as provided elsewhere herein (i) change customer rates for Basic Service or charges for remotes or installations, (ii) implement any tiering, re-tiering or repackaging of cable television programming offered by such System or make any other change in the programming services or channel positions (including the addition or deletion of any channels) of such System, or (iii) take any other action that would subject the rates for any tier of service to regulation;

(f) seek amendments or modifications to existing Licenses, Franchises, or Contracts or accept or agree to accede to any modification or amendment to, or any condition to the transfer of, any of the Licenses, Franchises, Contracts or Real Property that may adversely affect Buyer;

(g) enter into any transaction or permit the taking of any action or omit taking any action that would result in any of Seller's representations and warranties contained in this Agreement not being true and correct when made or at Closing;

(h) increase the number of employees in the Business, increase the compensation or change any benefits available to employees of Seller who work in the Business except as required pursuant to the existing written agreements indicated on Schedule 5.7 or as otherwise expressly described on Schedule 5.7; and

(i) except as set forth in Section 6.5(b), not implement any new marketing program, policy or practice, or implement any rate change, retiering or repackaging.

SECTION 6.3 FCC APPROVAL; FORMS 394.

(a) Promptly after the execution of this Agreement, but no later than the twentieth (20th) Business Day after the date hereof, Seller shall, at its sole expense, make application to the FCC for the consent and approval of the FCC to the transfer of the ownership and operation of all FCC Licenses of the Systems from Seller to Buyer.

(b) If not previously submitted, on or prior to the expiration of the fifteenth (15th) Business Day after the date of this Agreement, Seller and Buyer shall, each at its own expense, prepare and file properly prepared Applications for Franchise Authority consent to Assignment or Transfer of Control of Cable Television Franchise FCC 394 ("Forms 394") with the local Governmental Authorities that have issued franchises to Seller, and shall file all additional information required by such franchises or applicable local Legal Requirements or that the Governmental Authorities deem necessary or appropriate in connection with their consideration of the request of Seller or Buyer that such authority approve of the transfer of the Franchises to Buyer.

SECTION 6.4 RELEASE OF CERTAIN LIENS, LITIGATION AND OTHER OBLIGATIONS. Seller shall take all necessary actions, including without limitation the discharging or other satisfaction of related claims and obligations, to cause the termination, release, removal or satisfaction on or prior to the Closing Date, of (i) all designated Permitted Liens listed on Schedule 5.4, and (ii) all other outstanding liabilities and obligations relating to the Business other than subscriber and customer deposits and prepaid subscriber and customer fees, in each case without incurring any obligations on the part of Buyer or otherwise adversely affecting Buyer.

SECTION 6.5 CERTAIN OTHER COVENANTS OF SELLER. Not later than August 30, 1996, Seller shall have caused the monthly cable television rates that are charged by Seller for individual basic service to be changed as set forth below:

System:	Current rate:	Changed Rate:
Nogales	$20.75	$22.00
Rio Rico	$20.75	$22.00
Amado (no change)	$20.75	$20.75
Ajo	$24.00	$24.50

In addition, a new franchise fee line item equal to 3% of items subject to franchise fees, shall be added to the monthly billing statement for subscribers of the Ajo System only, and a franchise fee line item shall continue to be added for all other Systems when applicable.

In connection with the foregoing rate increases, Seller may add KQBN-TV Channel 14 (from Tucson) and the Cartoon Channel to the channel line-ups shown in Schedule 5.11 for Nogales and Rio Rico, and may modify other services if necessary to obtain channel position.

SECTION 6.6 EMPLOYEE MATTERS.

(a) Seller shall terminate all of its employees who primarily perform services with respect to the operations of the Systems immediately prior to Closing. Seller shall be responsible for and shall cause to be discharged and satisfied in full all amounts owed to any employee of Seller through the Closing Date, including wages, salaries, accrued vacation, any employment, incentive, compensation or bonus agreements, or other benefits or payments on account of termination, and shall indemnify and hold Buyer harmless from any Losses thereunder. Seller shall retain liability for all workers' compensation claims made by employees of the Business and the Systems filed on or before the Closing Date. Seller shall also retain liability for all workers' compensation claims filed by such employees after the Closing Date to the extent that such claims relate to any compensable injuries incurred prior to the Closing Date.

(b) Buyer shall not assume or have any liability under any agreement with any individual related to such individual's employment in the Business at or prior to the Closing Date or bonus, incentive or other employee benefit plans maintained by Seller, including, without limitation, phantom stock plans, stock incentive plans, opportunity pay plans, long term cash and incentive compensation plans, covering persons employed by or who at any time prior to the Closing Date were employed in the Business. Seller shall take such actions as are necessary to ensure the preservation and delivery of all benefits accrued through the Closing Date, whether payable presently or at some future date, to employees of the Business in respect of any such bonus or incentive plans. Seller shall be responsible for and shall pay all amounts payable to all of its employees in connection with the termination of employment of any such employee on or before the Closing Date in connection with the transactions contemplated hereby, or otherwise, and also shall be responsible for all health insurance, vacation pay and other benefits payable to such employees for all periods prior to and including the Closing Date.

(c) Seller shall be responsible for compliance with the notice and continuation coverage requirements of Section 4980B of the Code that arise with respect to the former employees of Seller and the Affected Employees (as defined in ERISA), on account of the transactions contemplated by this Agreement, if any.

(d) Seller's long term disability plan shall be responsible for payment of any and all covered benefits, payable with respect to employment on or before the Closing Date and for thirty days thereafter, regardless of whether payment is required to be made after the Closing Date, for: (i) any individual who is currently receiving such benefits as of the Closing Date, (ii) any individual who becomes disabled prior to the Closing Date and who remains disabled for the length of any qualifying disability period, and (iii) any individual described in (i) and (ii) above whose disability ceases after the Closing Date and who subsequently becomes disabled prior to the expiration of ninety (90) days of active employment with Buyer, where such subsequent disability is a continuation of such prior disability for which benefits were due under Seller's or the System's welfare plan.

(e) Except as otherwise provided in this Agreement, Seller shall retain, and Buyer shall not assume, any liabilities or obligations of Seller or any of its Affiliates to employees with respect to claims incurred and employment prior to the Closing Date.

(f) Prior to or as of the Closing Date, Seller shall have made arrangements reasonably satisfactory to Buyer for termination of all deferred compensation, pension, 401 (k), or other similar employee benefits plans, which arrangements shall not create any liability or obligation for Buyer after Closing.

(g) Buyer may offer (but is not obligated to offer) employment to any or all of the employees of Seller who primarily perform services with respect to the operations of the Systems as of the Closing Date. Buyer shall recognize the term of service with Seller of any employee of Seller hired by Buyer in determining such employee's vacation benefits under Buyer's vacation plan. Buyer also shall permit any former employee of Seller hired by Buyer to participate in Buyer's group health plan without imposing any waiting periods so long as such employee was covered by Seller's health plan immediately prior to the Closing. To the extent that accrued vacation time is included in the Current Items Amount, Buyer either shall permit any former employee of Seller who is hired by Buyer to take any such accrued vacation at whatever times the employee would have been entitled to take such vacation had the employee not left the employ of Seller, or shall pay such employee for any such accrued vacation time that such employee is not able to take under Buyer's vacation plan. Nothing in this statement of intent shall be construed to create any third party beneficiary rights in favor of any person not a party to this Agreement or to constitute an offer of employment, employment agreement or condition of employment for any of the employees of the Business.

SECTION 6.7 WARN ACT. Seller shall give all notices required to be given under the Federal Workers Adjustment and Retraining Notification Act ("WARN Act") by any party related to or as a result of the transactions contemplated by this Agreement, and shall indemnify and hold Buyer harmless for any liability resulting from the failure of Seller and the Systems to do so. On the Closing Date, Seller shall deliver to Buyer a written description of any "employment loss," as defined in the WARN Act, which occurs at any time within the ninety (90) days prior to the Closing Date. For purposes of the WARN Act and this Section 6.7, "Closing Date" shall mean the "effective date" of the transactions contemplated by this Agreement, as defined in the WARN Act.

SECTION 6.8 EXCLUSIVITY. Between the date of this Agreement and the earlier of the termination of this Agreement in accordance with its terms and the Closing Date, Seller shall not, and shall cause its Partners, officers, directors, employees, agents and representatives (including, without limitation, Waller Capital Corporation, any investment banker, attorney or accountant retained by Seller) not to, initiate, solicit or encourage, directly or indirectly, any inquiries or the making of any proposal with respect to the Business, engage in any negotiations concerning, or provide to any other Person any information or data relating to the Business, any of the Systems, the Assets, or Seller for the purposes of, or have any discussions with any Person relating to, or otherwise cooperate in any way with or assist or participate in, facilitate or encourage, any inquiries or the making of any proposal which constitutes, or may reasonably be expected to lead to, any effort or attempt by any other Person to seek or effect a sale of all or substantially all of the Assets, the Systems or the Business.

SECTION 6.9 TITLE INSURANCE. Attached hereto as Schedule 6.9 are the title commitments to the Owned Real Property which have been obtained by Seller. Seller represents, warrants and covenants that (a) title to the Owned Real Property is and on the Closing Date shall be insurable on substantially the same terms as set forth on the attached title commitments, and (b) a current survey of the Owned Real Property by a registered professional surveyor would not show any matter or thing that (i) violates any representation or warranty contained herein or (ii) does or could materially affect the Business. Seller will reasonably cooperate with Buyer if Buyer elects to obtain title insurance policies and boundary surveys indicating for each surveyed parcel (i) access from public rights of way, (ii) all improvements and (iii) encroachments across the parcel's boundary lines by such improvements or improvements by owners of adjacent parcels, for parcels of Owned Real Property or Leased Real Property, it being understood that Buyer shall have the sole responsibility for obtaining and paying for such policies and boundary surveys. The obtaining of title insurance and/or surveys shall not be a condition to the obligations of Buyer to consummate the transactions contemplated hereunder.

SECTION 6.10 CONFIDENTIALITY. Any non-public information that either party ("Recipient Party") may obtain from the other ("Disclosing Party") in connection with this Agreement with respect to the Disclosing Party or the Systems shall be confidential and, unless and until Closing shall occur, Recipient Party shall not disclose any such information to any third party (other than its directors, officers, Partners and employees, and representatives of its advisers and lenders whose knowledge thereof is necessary in order to facilitate the consummation of the transactions contemplated hereby) or use such information to the detriment of Disclosing Party; provided that (a) Recipient may use and disclose any such information once it has been publicly disclosed (other than by Recipient Party in breach of its obligations under this Section) or that rightfully has come into the possession of Recipient Party (other than from Disclosing Party), and (b) to the extent that Recipient Party may become compelled by Legal Requirements to disclose any of such information, Recipient Party may disclose such information if it shall have made all reasonable efforts, and shall have afforded Disclosing Party the opportunity, to obtain an appropriate protective order, or other satisfactory assurance of confidential treatment, for the information compelled to be disclosed. If this Agreement is terminated, Recipient Party shall use all reasonable efforts to cause to be delivered to Disclosing Party, and retain no copies of, any documents, work papers and other materials obtained by or on the behalf of Recipient Party from Disclosing Party, whether so obtained before or after the execution hereof. The rights and obligations of Buyer and Seller under this Section shall survive Closing or the termination of this Agreement. Notwithstanding the foregoing, the following will not constitute a part of the information for the purposes of this Section:

(i) information that a party can show was known by the Recipient Party prior to the disclosure thereof by the Disclosing Party;

(ii) information that is or becomes generally available to the public other than as a result of a disclosure directly or indirectly by the Recipient Party in breach of this Section 6.10;

(iii) information that is independently developed by the Recipient Party; or

(iv) information that is or becomes available to the Recipient Party on a non-confidential basis from a source other than the Disclosing Party, provided that such source is not known by the Recipient Party to be bound by any obligation or confidentiality in relation thereto.

SECTION 6.11 SUPPLEMENTS TO SCHEDULES. Each of Seller and Buyer shall, from time to time prior to Closing, supplement the

Schedules to this Agreement with additional information that, if existing or known to it on the date of this Agreement, would have been required to be included in such Schedules. For purposes of determining the satisfaction of any of the conditions to the obligations of Buyer and Seller in Sections 7.1 and 7.2 and the liability of Seller or of Buyer following Closing for breaches of its representations and warranties under this Agreement, the Schedules to this Agreement shall be deemed to include only (a) the information contained therein on the date of this Agreement and (b) information added to the Schedules by written supplements to such Schedules delivered prior to Closing by the party making such amendment that (i) are accepted in writing by the other party or (ii) reflect actions expressly permitted by this Agreement to be taken prior to Closing. Notwithstanding any information contained in the Schedules, all liabilities and obligations arising out of or relating to the operation of the Systems prior to the Closing Date shall be the responsibility of the Seller.

SECTION 6.12 NOTIFICATION OF CERTAIN MATTERS. Each party will promptly notify the other party in writing of any fact, event, circumstance, action or omission (i) that, if known at the date of this Agreement, would have been required to be disclosed in or pursuant to this Agreement, or (ii) the existence or occurrence of which would cause any of such party's representations or warranties under this Agreement not to be true in any material respect, and with respect to clause (ii) the party responsible thereof or pursuant to this Agreement shall use commercially reasonable best efforts to remedy the same.

SECTION 6.13 COMMERCIALLY REASONABLE BEST EFFORTS. Each party shall use Commercially Reasonable Best Efforts to take all steps within its power, and will cooperate with the other party, to cause to be fulfilled those of the conditions to the other party's obligations to consummate the transactions contemplated by this Agreement that are dependent upon its actions, and to execute and deliver such instruments and take such other commercially reasonable best actions as may be necessary to carry out the intent of this Agreement and consummate the transactions contemplated hereby.

SECTION 6.14 CLOSING DATE FINANCIAL STATEMENTS. Seller shall promptly deliver to Buyer after Closing a true and complete copy of the unaudited balance sheet for the Business as of the Closing Date and the unaudited statements of profit and loss and cash flow of the Business for the period then ended, in each case the report format shall be that in which the Business's Financial Statements are presented. Not later than ninety (90) days after December 31, 1996, Seller shall deliver to Buyer an audited balance sheet and statements of income and cash flow of the Business for the period commencing January 1, 1996 and ending on the Closing Date.

SECTION 6.15 CUSTOMER NOTIFICATION. As soon as reasonably practicable after execution of this Agreement and in accordance with Section 12.9, the parties shall jointly announce to the general public the transactions contemplated hereby. All reasonable additional costs and expenses actually incurred and related to mail notification of subscribers shall be borne and paid by Seller. Other means of notifying subscribers may be employed by either party, at the expense of the initiating party, but in no event shall any notification be initiated without the prior consent of the other party (which consent shall not be unreasonably withheld).

SECTION 6.16 CONSENTS.

(a) Seller will use Commercially Reasonable Best Efforts to obtain, at its own cost and expense as soon as practicable, the Required Consents, in form and substance reasonably satisfactory to Buyer. Seller and Buyer will use Commercially Reasonable Best Efforts to obtain, as soon as practicable, the Consents of Governmental Authorities; provided, that Commercially Reasonable Best Efforts for this purpose shall not require Buyer to agree to any change in any Contract or as a condition to obtaining any Consent, the effect of which is to make such Contract more burdensome to Buyer.

(b) Following the Closing, Buyer will deliver promptly to the Governmental Authorities for those Governmental Permits transferred at Closing all bonds, letters of credit, indemnity agreements, or certificates of deposit required by such Governmental Authorities and will use its Commercially Reasonable Best Efforts to cooperate with Seller to obtain a release by such Governmental Authorities of Seller's bonds, letters of credit, indemnity agreements, and certificates of deposit.

SECTION 6.17 RISK OF LOSS; CONDEMNATION.

(a) Seller will bear the risk of any loss or damage to the Assets resulting from fire, theft or other casualty at all times prior to the Closing. If any such loss or damage is so substantial as to prevent normal operation of any portion of the Systems within five days after the occurrence of the event resulting in such loss or damage, Seller shall immediately notify Buyer of that fact and Buyer, at any time within ten days after receipt of such notice, may elect by written notice to Seller either (i) to waive such defect and proceed toward consummation of the acquisition of the Assets in accordance with this Agreement or (ii) to terminate this Agreement. If Buyer elects to consummate the acquisition of the Assets notwithstanding such loss or damage and does so, at Buyer's election (i) there will be an adjustment in the aggregate consideration to be paid for the Assets under Article II on account of such loss or damage and Seller shall be entitled to all insurance proceeds paid as a result of such loss or damage or (ii) all insurance proceeds paid or payable as a result of the occurrence of the event causing such loss or damage will be delivered by Seller to Buyer at the Closing or the rights to such proceeds will be assigned by Seller to Buyer at the Closing if not yet paid over to Seller.

(b) If, prior to Closing, any portion of any System is taken or condemned as a result of the exercise of the power of eminent domain, or if a Governmental Authority having such power informs Seller or Buyer that it intends to condemn any portion of any System (such event being referred to herein, in either case, as a "Taking"), then Buyer may terminate this Agreement. If Buyer does not so elect to terminate this Agreement then (i) if the Closing occurs, Buyer shall have the sole right, in the name of Seller, if Buyer so elects, to negotiate for, claim, contest and (if the Closing occurs) receive all damages with respect to the Taking, (ii) Seller shall be relieved of its obligation to convey to Buyer the Asset or interests that are the subject of the Taking and (iii) at the Closing Seller shall assign to Buyer all of Seller's rights (including the right to receive payment of damages) with respect to such Taking and shall pay to Buyer all damages previously paid to Seller with respect to the Taking.

SECTION 6.18 PHASE I STUDY. Within twenty (20) days after the execution of this Agreement, Seller shall, at its sole expense, commission a qualified engineering firm to conduct the Study in accordance with ASTM Standard 1527-94. Within three (3) business days of receipt of the completed Study, Seller shall promptly deliver the Study to Buyer. If Buyer notifies Seller in writing within thirty (30) Business Days from the date Buyer receives the report of the Study that the Study discloses the existence of any breach, or any facts which could be expected to result in a breach, of the representations of Seller contained in Section 5.12, Seller shall promptly commence further investigation and/or remedial action to cure the condition at its expense prior to the Closing; provided that Seller shall not be obligated to spend more than $50,000 in the aggregate in its attempt to cure all such conditions. Seller shall notify Buyer within seven (7) days after its receipt of such written notice from Buyer if Seller determines that it is or will be unable to cure such conditions for $50,000 or less. If Seller exercises the right not to cure such conditions because the aggregate cost would exceed $50,000, Buyer may elect (i) to terminate this Agreement without waiver of any remedies available to Buyer hereunder or (ii) to waive such obligations, in which event Buyer shall receive a credit at the Closing in the amount, if any, by which $50,000 exceeds the aggregate amount paid by Seller to third parties in connection with curing such conditions and assume all liabilities and obligations in connection with such conditions and hold harmless and indemnify Seller from same in accordance with this Agreement, notwithstanding any provisions, including any representations and warranties of Seller, of this Agreement to the contrary and Seller shall have no liability under this Agreement or otherwise to Buyer related to or arising from such conditions.

SECTION 6.19 UCC SEARCHES. Seller shall reimburse Buyer, no later than ten (10) Business Days following receipt of the invoice therefor from Buyer, for the actual costs (other than attorney review in connection therewith) incurred by Buyer in obtaining Uniform Commercial Code lien, judgment and tax searches on the Assets, the Seller and the general partner of Seller prior to Closing and a bringdown certificate with respect thereto as of the Closing Date.

ARTICLE VII
CONDITIONS PRECEDENT

SECTION 7.1 CONDITIONS TO BUYER'S OBLIGATIONS. The obligations of Buyer to consummate the transactions contemplated by this Agreement shall be subject to the following conditions, any one or more of which may be waived by Buyer, in its sole discretion.

(a) Accuracy of Representations and Warranties. The representations and warranties of Seller in this Agreement shall be true and accurate in all material respects at and as of Closing with the same effect as if made at and as of Closing, except for changes contemplated under this Agreement and except for representations and warranties made only at and as of a certain date.

(b) Performance of Agreements. Seller shall have performed all obligations and agreements and complied with all covenants in this Agreement to be performed and complied with by it at or before Closing, and no event which would constitute a breach of the terms of this Agreement on the part of Seller shall have occurred or be continuing. Notwithstanding the generality of the preceding sentence, Seller shall have strictly performed its obligations and agreements and strictly complied with its covenants set forth in Section 6.5.

(c) Officer's Certificate. Buyer shall have received a certificate executed by an executive officer of the general partner of Seller, dated as of Closing, reasonably satisfactory in form and substance to Buyer, certifying that the conditions specified in Sections 7.1(a) and (b) have been satisfied.

(d) Legal Proceedings. There shall be no Legal Requirement, and no Judgment shall have been entered and not vacated by any Governmental Authority of competent jurisdiction in any Litigation relating to any Legal Requirement, that enjoins, restrains, makes illegal, or prohibits consummation of the transactions contemplated by this Agreement, and there shall be no Litigation pending or threatened that seeks or that, if successful, would have the effect of any of the foregoing.

(e) Opinion of Seller's Counsel. Buyer shall have received an opinion of Krys Boyle Golz Freedman & Scott, P.C., counsel to Seller, dated as of Closing, substantially in the form of Exhibit 7.1(e).

(f) Opinion of Seller's FCC Counsel. Buyer shall have received an opinion of Cole, Raywid & Braverman, special communications counsel to Seller, dated as of Closing, substantially in the form of Exhibit 7.1(f).

(g) Consents. Buyer shall have received evidence, in form and substance reasonably satisfactory to it, that all consents, approvals and authorizations identified on Schedule 5.3 as Required Consents have been obtained and remain in full force and effect; provided, however, that to the extent such Required Consents relate to consents by the FCC to assignments of Licenses, this condition shall be deemed met if such consents to assignment have been requested prior to Closing and Buyer is entitled to operate the Systems under such Licenses pursuant to conditional use authorizations from the FCC until the FCC's consent is received.

(h) Noncompetition Agreement. Seller and R. Michael Kruger shall each have delivered to Buyer the Noncompetition Agreement duly executed by Seller and R. Michael Kruger, respectively.

(i) Liens, Litigation and Other Obligations. Seller shall have delivered evidence satisfactory to Buyer that all Liens, Litigation and other obligations or liabilities of the Systems that are to be terminated, released, removed, satisfied or waived prior to or as of the Closing Date under Section 6.4 have been so terminated, released, removed, satisfied or waived, or will be terminated, released, removed, satisfied or waived simultaneously with the Closing.

(j) No Material Adverse Change. There shall not have been any material adverse change in the Assets, liabilities, financial condition, earnings or business prospects of the Systems or the Business, other than any change due to an event (other than an event described in the following proviso) that affects the cable television industry in general; provided, however, that for purposes of this Agreement, the actual regulation by any Governmental Authority of rates, charges or fees charged to the subscribers of any System shall be deemed to be a material adverse change in the financial condition and business prospects of such System.

(k) Systems. The Systems shall include not less than 10,800 homes passed by energized cable (i.e., homes (including apartments and commercial units) for which cable service may be provided solely by the installation of a drop line without addition of trunk or feeder cable or electronic components) and not more than 200 miles of energized cable plant, of which not more than 70 miles are of underground construction.

(1) Transfer Documents. Seller shall have delivered to Buyer customary bills of sale, general warranty deeds, assignments and other instruments of transfer sufficient to convey good and marketable title to the Assets in accordance with the terms of this Agreement and otherwise in form and substance reasonably satisfactory to Buyer and its counsel.

(m) Other Documents. All other documents and certificates and other items required to be delivered under this Agreement by Seller to Buyer at or prior to Closing shall have been delivered or shall be tendered at the Closing.

(n) Material Adverse Change. The financial institutions providing financing to Buyer to consummate the transactions contemplated by this Agreement shall not have exercised the Material Adverse Change clause under the financing commitment letters provided to Buyer.

SECTION 7.2 CONDITIONS TO SELLER'S OBLIGATIONS. The obligations of Seller to consummate the transactions contemplated by this Agreement shall be subject to the following conditions, any one or more of which may be waived by Seller, in its sole discretion:

(a) Accuracy of Representations. The representations and warranties of Buyer in this Agreement shall be true and accurate in all material respects at and as of Closing with the same effect as if made at and as of Closing except for changes contemplated under this Agreement and except for representations and warranties made only at and as of a certain date.

(b) Performance of Agreements. Buyer shall have performed in all material respects all obligations and agreements and complied in all material respects with all covenants in this Agreement to be performed and complied with by it at or before Closing, and no event that would constitute a material breach of the terms of this Agreement on the part of Buyer shall have occurred or be continuing.

(c) Officer's Certificate. Seller shall have received a certificate executed by an executive officer of Buyer, dated as of Closing, reasonably satisfactory in form and substance to Seller, certifying that the conditions specified in Sections 7.2(a) and (b) have been satisfied.

(d) Legal Proceedings. There shall be no Legal Requirement, and no Judgment shall have been entered and not vacated by any Governmental Authority of competent jurisdiction in any Litigation relating to any Legal Requirement, that enjoins, restrains, makes illegal, or prohibits consummation of the transactions contemplated hereby, and there shall be no Litigation pending or threatened that seeks or that, if successful, would have the effect of any of the foregoing.

(e) Opinion of Buyer's Counsel. Seller shall have received an opinion of Cooperman Levitt Winikoff Lester & Newman, P.C., general counsel to Buyer, dated as of Closing, substantially in the form of Exhibit 7.2(e).

(f) Other Documents. All other documents certificates, and other items required to be delivered under this Agreement by Buyer to Seller at or prior to Closing shall have been delivered or shall be tendered at the Closing.

ARTICLE VIII
CLOSING

SECTION 8.1 CLOSING; TIME AND PLACE.

(a) Subject to the terms and conditions of this Agreement, the closing of the transactions contemplated by this Agreement ("the Closing") shall be held at the offices of Cooperman Levitt Winikoff Lester & Newman, P.C., 800 Third Avenue, 30th Floor, New York, New York 10022, at 10:00 a.m., local time, on November 30, 1996, or at such earlier or later date as may be agreed upon by Seller and Buyer (the "Closing Date"). Seller and Buyer shall, without modifying or expanding their obligations hereunder, exercise their diligent, good faith efforts to cause the Closing to occur as quickly as reasonably possible.

(b) If at any time prior to the scheduled Closing Date, all of the conditions contained in Article VII have been met or waived, Buyer may give notice to Seller of the Closing. Such notice shall state a date and time, not less than ten

Business Days from the date of such notice, for Closing to occur.

(c) If on November 30, 1996, all of the conditions contained in Article VII have not been met or waived, then the Closing shall be deferred until all such conditions have been met or waived but not to a date later that December 31, 1996. Upon the last of the conditions being so met or waived, Seller or Buyer may give notice to the other of the Closing, which notice shall state a date and time, not less than ten Business Days from the date of such notice, for the Closing to occur.

SECTION 8.2 SELLER'S OBLIGATIONS. At Closing, Seller shall deliver or cause to be delivered to Buyer the following:

(a) Bill of Sale. Executed counterparts of a Bill of Sale and Assignment and Assumption Agreement relating to the Assets in the form of Exhibit 8.2(a) (the "Bill of Sale");

(b) Deeds. General warranty deeds in form and substance reasonably satisfactory to buyer conveying to Buyer the Owned Real Property;

(c) Officer's Certificate. The certificate described in Section 7.1(c);

(d) Evidence of Authorizing Actions. Evidence reasonably satisfactory to Buyer that Seller has taken all action necessary to authorize the execution of this Agreement and the consummation of the transactions contemplated hereby;

(e) Opinion of Seller's Counsel. The opinion described in Section 7.1(e);

(f) Opinion of Seller's FCC Counsel. The opinion described in Section 7.1(f);

(g) Vehicle Titles. Title certificates to all vehicles that constitute Assets, endorsed for transfer of title to Buyer, and any separate bills of sale and other vehicle title transfer documentation required by the laws of the State of Arizona or such county or other state in which such vehicles are titled;

(h) Documents and Records. All (i) existing blueprints, schematics, working drawings, plans, specifications, projections, statistics, engineering records, original plant records, construction, and as-built maps relating to the Systems, (ii) customer lists, files and records used by the Seller in connection with the operation of the Systems, including lists of all pending subscriber hook-ups, disconnects and all repair orders, supply orders and any other records pertinent to the operation of the Systems, and (iii) personnel files and records relating to the employees of the Systems who have accepted Buyer's offer of employment after the Closing Date. Delivery of the foregoing shall be deemed made to the extent such lists, files, and records are located as of the Closing Date at any of the offices included in the Owned Real Property or the Leased Real Property;

(i) Noncompetition Agreements . The Noncompetition Agreements, duly executed by each of Seller and R. Michael Kruger;

(j) Incumbency. An incumbency certificate of Seller and the general partner of Seller evidencing the authority of the entitles and individuals who are signatories to this Agreement and each other Transaction Documents to which Seller it is a party; and

(k) Other. Such other documents and instruments, including, but not limited to, such documents or instruments evidencing the satisfaction of the conditions set forth in Section 7.1(i) hereof, as shall be necessary to effect the intent of this Agreement and consummate the transactions contemplated hereby.

SECTION 8.3 BUYER'S OBLIGATIONS. At Closing, Buyer shall deliver or cause to be delivered to Seller the following:

(a) Purchase Price and Current Items Amount. The Purchase Price plus or minus the Current Items Amount, the Subscriber Adjustment and Escrow, as determined in accordance with the provisions of Section 2.7(a);

(b) Bill of Sale. Executed counterparts of the Bill of Sale in the form of Exhibit 8.2(a);

(c) Officer's Certificate. The certificate described in Section 7.2(c);

(d) Evidence of Authorizations. Evidence reasonably satisfactory to Seller that Buyer has taken all action necessary to authorize the execution of this Agreement and the consummation of the transactions contemplated hereby;

(e) Incumbency. An incumbency certificate of Buyer evidencing the authority of the entities and individuals who are signatories to this Agreement and each other Transaction Documents to which Buyer is a party;

(f) Opinion of Buyer's Counsel. The opinion described in Section 7.2(e); and

(g) Other. Such other documents and instruments as shall be necessary to effect the intent of this Agreement and consummate the transactions contemplated hereby.

ARTICLE IX
TERMINATION

SECTION 9.1 TERMINATION EVENTS. This Agreement may be terminated and the transactions contemplated hereby may be abandoned as follows:

(a) At any time, by the mutual agreement of Buyer and Seller;

(b) By either Buyer or Seller upon written notice to the other, if the other is in material breach or default of its respective covenants, agreements, or other obligations herein, or if any of its representations herein are not true and accurate in all material respects when made or when otherwise required by this Agreement to be true and accurate, and such breach, default or failure is not cured by the earlier of (i) thirty (30) days of receipt of notice that such breach, default or failure exists or has occurred, or (ii) December 31, 1996;

(c) By either Buyer or Seller upon written notice to the other, if any conditions to its obligations set forth in Sections 7.1 and 7.2, respectively, shall not have been satisfied on or before the Closing Date for any reason other than a breach or default by such party of its respective covenants, agreements, or other obligations hereunder, or any of its representations herein not being true and accurate when made or when otherwise required by this Agreement to be true and accurate; or

(d) As otherwise provided herein.

SECTION 9.2 EFFECT OF TERMINATION. If this Agreement shall be terminated pursuant to Section 9.1, all obligations of the parties hereunder shall terminate, except for the obligations set forth in Sections 6.10, 10.1, 10.2, 12.1, and 12.8. Termination of this Agreement pursuant to Section 9.1(b) shall not limit or impair any remedies that Buyer or Seller may have with respect to a breach or default by the other of its covenants, agreements or obligations hereunder.

SECTION 9.3 FINANCING CONTINGENCY. Buyer shall have the right to terminate this Agreement without any monetary penalty to Buyer (other than the forfeiture by Buyer of the Earnest Money Payment paid to Seller pursuant to Section 2.4(b) hereof) upon the occurrence of either of the following events: (a) Buyer shall provide written notice to Seller on or before the later of forty-five (45) Business Days from the date hereof or September 15, 1996 that Buyer is not able to obtain sufficient financing to consummate the purchase and sale contemplated by this Agreement, or (b) Buyer shall provide written notice to Seller at any time before the Closing Date that Buyer has received written notification from its senior lender for this transaction that there has been a material adverse change in either the Systems or the cable television business generally that is sufficient to cause such lender to refuse to finance Buyer's purchase of the Systems from Seller (in which event a copy of such written notification from Buyer's lender shall accompany Buyer's written notification to Seller).

ARTICLE X
REMEDIES

SECTION 10.1 DEFAULT BY BUYER. If Buyer shall default in the performance of its obligations under this Agreement in any material respect or if, as a result of Buyer's breach of its obligations pursuant to this Agreement, the conditions precedent to Seller's obligation to close specified in Section 7.2 are not satisfied, and Seller shall not then be in default in the performance of its obligations hereunder in any material respect, Seller shall be entitled, as its sole remedy, to terminate this Agreement by written notice to Buyer and to recover its actual out-of-pocket costs and expenses (including reasonable attorneys and other professional fees) incurred in connection with the execution of this Agreement and the satisfaction of its obligations hereunder, but not including consequential, punitive or exemplary damages, or any other damages. Seller agrees that such damages shall not exceed the amount of the Escrow Amount.

SECTION 10.2 DEFAULT BY SELLER. If Seller shall default in the performance of its obligations under this Agreement in any material respect or if, as a result of Seller's breach of its obligations pursuant to this Agreement, the conditions precedent to Buyer's obligation to close specified in Section 7.1 are not satisfied, and Buyer shall not then be in default in the performance of its obligations hereunder in any material respect, Buyer shall be entitled, at Buyer's sole option, either:

(a) to require Seller to consummate and specifically perform the sale in accordance with the terms of this Agreement, if necessary through injunction or other court order or process, and to recover any damages, costs and expenses incurred by Buyer in connection therewith; or

(b) to terminate this Agreement by written notice to Seller, and to recover its out-of-pocket costs and expenses (including reasonable attorneys and other professional fees) in connection with the execution of this Agreement and the satisfaction of its obligations hereunder, but not including consequential, punitive or exemplary damages, or any other damages.

ARTICLE XI
INDEMNIFICATION

SECTION 11.1 INDEMNIFICATION BY SELLER. From and after Closing, Seller shall indemnity and hold harmless Buyer from and against any and all Losses arising out of or resulting from the following:

(a) Any representations and warranties made by Seller in this Agreement not being true and accurate when made or when required by this Agreement to be true and accurate, except for Losses that relate to any circumstance, act or omission constituting a breach of any representation or warranty by Seller or failure by Seller to comply with any of its covenants, agreements or obligations hereunder of which Buyer has received notice and which Buyer has waived in writing;

(b) Any breach or default by Seller in the performance of its covenants, agreements, or obligations under this Agreement;

(c) Any liabilities relating to employees of Seller or any Partner working for the Systems asserted under any Legal Requirement or otherwise pertaining to any labor or employment matter arising out of conditions existing or actions or events occurring prior to the Closing Date;

(d) Any liabilities and obligations arising out of or relating to the operation of the Systems prior to the Closing Date, including, without limitation, the Retained Liabilities and Obligations;

(e) Any claims made by creditors with respect to noncompliance with any bulk sales law relating to this Agreement and the transactions contemplated hereby; and

(f) Any and all actions, suits, proceedings, claims, demands, assessments, judgments, costs and expenses, including without limitation, legal fees and expenses, incident to any of the foregoing or incurred in investigating or attempt to avoid the same or to oppose the imposition thereof, or in enforcing this indemnity.

SECTION 11.2 INDEMNIFICATION BY BUYER. From and after Closing, Buyer shall indemnify and hold harmless Seller and each Partner from and against any and all Losses arising out of or resulting from the following:

(a) Any representations and warranties made by Buyer in this Agreement not being true and accurate when made or when required by this Agreement to be true and accurate, except for Losses that relate to any circumstance, act or omission constituting a breach of any representation or warranty by Buyer or failure by Buyer to comply with any of its covenants, agreements or obligations hereunder of which Seller has received notice and which Seller has waived in writing;

(b) Any breach or default by Buyer in the performance of its covenants, agreements, or obligations under this Agreement;

(c) Any of the Assumed Obligations and Liabilities;

(d) Any liabilities relating to employees of Seller hired by Buyer pursuant to Section 6.6 arising after the Closing Date asserted under any federal, state or local law or regulation or otherwise pertaining to any labor or employment matter arising out of conditions existing or actions or events occurring subsequent to the Closing Date;

(e) Any liabilities and obligations arising out of or relating to the operation of the Systems subsequent to the Closing Date; and

(f) Any and all actions, suits, proceedings, claims, demands, assessments, judgments, costs and expenses, including without limitation, legal fees and expenses, incident to any of the foregoing or incurred in investigating or attempt to avoid the same or to oppose the imposition thereof, or in enforcing this indemnity.

SECTION 11.3 INDEMNIFIED THIRD PARTY CLAIM.

(a) If any Person not a party to this Agreement shall make any demand or claim or file or threaten to file or continue any Litigation with respect to which Buyer or Seller is entitled to indemnification pursuant to Sections 11.1 or 11.2, respectively, then within ten (10) days after notice (the "Notice") by the party entitled to such indemnification (the "Indemnitee") to the other (the "Indemnitor") of such demand, claim or Litigation, the Indemnitor shall have the option, at its sole cost and expense, to retain counsel for the Indemnitee (which counsel shall be reasonably satisfactory to the Indemnitee), to defend any such Litigation. Thereafter, the Indemnitee shall be permitted to participate in such defense at its own expense, provided that, if the named parties to any such Litigation (including any impleaded parties) include both the Indemnitor and the Indemnitee or, if the Indemnitor proposes that the same counsel represent both the Indemnitee and the Indemnitor and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them, then the Indemnitee shall have the right to retain its own counsel at the cost and expense of the Indemnitor, unless the Indemnitor shall acknowledge in writing its indemnity obligation, in which event the retention by Indemnitee of its own counsel shall be at its cost and expense. If the Indemnitor shall fail to respond within ten (10) days after receipt of the Notice, the Indemnitee may retain counsel and conduct the defense of such Litigation as it may in its sole discretion deem proper, at the sole cost and expense of the Indemnitor.

(b) The Indemnitee shall provide reasonable assistance to the Indemnitor and provide access to its books, records and personnel as the Indemnitor reasonably requests in connection will the investigation or defense of the indemnified Losses. The Indemnitor shall promptly upon receipt of reasonable supporting documentation reimburse the Indemnitee for out-of-pocket costs and expenses incurred by the latter in providing the requested assistance.

(c) In the event that Indemnitor desires to compromise or settle any such claim, Indemnitee shall have the right to consent to such settlement or compromise; provided, however, that if such compromise or settlement is for money damages only and will include a full release and discharge of Indemnitee, and Indemnitee withholds its consent to such compromise or settlement, Indemnitor and Indemnitee agree that (1) Indemnitor's liability shall be limited to the amount of the proposed settlement and Indemnitor shall thereupon be relieved of any further liability with respect to such claim, and (2) from and after such date, Indemnitee will undertake all legal costs and expenses in connection with such claim and shall indemnify Indemnitor from any further liability or obligation to such third party in connection with such claim in excess of the amount of the proposed settlement. If Indemnitor fails to defend any claim within a reasonable time, Indemnitee shall be entitled to assume the defense thereof, and Indemnitor shall be liable to Indemnitee for its expenses reasonably incurred, including attorney's fees and payment of any settlement amount or judgment.

SECTION 11.4 DETERMINATION OF INDEMNIFICATION AMOUNTS AND RELATED MATTERS.

(a) In calculating amounts payable to an Indemnitee hereunder, the amount of the indemnified losses shall be reduced by the amount of any insurance proceeds paid to the Indemnitee for such Losses.

(b) Subject to the provisions of Section 11.3, all amounts payable by the Indemnitor to the Indemnitee in respect of any Losses under Sections 11.1 or 11.2 shall be payable by the Indemnitor as incurred by the Indemnitee.

(c) The provisions of Sections 11.3 and 11.4 shall be applicable to any claim for indemnification made under any other provision of this Agreement and all references in Sections 11.3 and 11.4 to Sections 11.1 and 11.2 shall be deemed to be references to such other provisions of this Agreement.

SECTION 11.5 TIME AND MANNER OF CERTAIN CLAIMS. Except as otherwise provided herein, the representations, warranties and covenants of Buyer and Seller in this Agreement shall survive Closing for a period of twelve (12) months except for representations, warranties and covenants (i) relating to title, ownership, employee benefit matters, Copyright Act matters and Taxes, which shall survive until the expiration of the applicable statute of limitations and (ii) relating to environmental matters, which shall survive until the third anniversary of the Closing Date, and Buyer's and Seller's rights to make claims dated thereafter shall likewise expire and be extinguished on such dates. Neither Seller nor Buyer shall have any liability under Sections 11.1(a) or 11.2(a), respectively, unless a claim for Losses for which indemnification is sought thereunder is asserted by the party seeking indemnification by written notice to the party from whom indemnification is sought within the applicable survival period.

ARTICLE XII
MISCELLANEOUS

SECTION 12.1 EXPENSES. Except as otherwise expressly provided in this Agreement, each of the parties shall pay its own expenses and the fees and expenses of its counsel, accountants, and other experts in connection with this Agreement.

SECTION 12.2 WAIVERS. No action taken pursuant to this Agreement, including any investigation by or on behalf of any party hereto, shall be deemed to constitute a waiver by the party taking the action of compliance with any representation, warranty, covenant or agreement contained herein or in any document delivered pursuant hereto. The waiver by any party hereto of any condition or of a breach of another provision of this Agreement shall not operate or be construed as a waiver of any other condition or subsequent breach. The waiver by any party of any of the conditions precedent to its obligations under this Agreement shall not preclude it from seeking redress for breach of this Agreement other than with respect to the condition so waived.

SECTION 12.3 NOTICES. All notices, requests, demands, applications, services of process, and other communications which are required to be or may be given under this Agreement shall be in writing and shall be deemed to have been duly given if sent by facsimile transmission, delivered by overnight or other courier service, or mailed, certified first class mail, postage prepaid, return receipt requested, to the parties hereto at the following addresses:

To Seller: Saguaro Cable TV Investors, L.P.
c/o Arizona And Southwest Cable, Inc.
513 Wilcox Street, Suite 230
Castle Rock, Colorado 80104
Attn: R. Michael Kruger, President
Telecopy: (203) 688-5001

Copies (which shall not constitute notice) to:

Krys Boyle Golz Freedman
& Scott, P.C.
Dominion Plaza, Suite 2700 South
600 Seventeenth Street
Denver, Colorado 80202-5427
Attn: Stanley F. Freedman, Esq.
Telecopy: (303) 893-2882

To Buyer: Mediacom LLC
90 Crystal Run Road, Suite 406-A
Middletown, New York 10940
Attn: Rocco B. Commisso, Manager
Telecopy: (914) 692-9099

Copies (which shall not constitute notice) to:

Cooperman Levitt Winikoff
Lester & Newman, P.C.
800 Third Avenue, 30th Floor
New York, New York 10010
Attn: Robert L. Winikoff, Esq,
Telecopy: (212) 755-2839

or to such other address as any party shall have furnished to the other by notice given in accordance with this Section. Such notice shall be effective, (i) if delivered by courier service or by facsimile transmission, upon actual receipt by the intended recipient, or (ii) if mailed, upon the earlier of five (5) days after deposit with the U. S. Postal Service or the date of delivery as shown on the return receipt therefor.

SECTION 12.4 ENTIRE AGREEMENT; AMENDMENTS. This Agreement embodies the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral or written, with respect thereto. This Agreement may not be modified orally, but only by an agreement in writing signed by the party or parties against whom any waiver, change, amendment, modification, or discharge may be sought to be enforced.

SECTION 12.5 BINDING EFFECT; BENEFITS. This Agreement shall inure to the benefit of and will be binding upon the parties hereto and their respective heirs, legal representatives, successors, and permitted assigns. Neither Buyer nor Seller shall assign this Agreement or delegate any of its duties hereunder to any other Person without the prior written consent of the other, provided, that Buyer may assign this Agreement to any Affiliate of Buyer without the prior written consent of Seller. Nothing in this Agreement, express or implied, is intended to confer upon any person other than the parties hereto and their respective successors and permitted assigns, any rights, remedies or obligations under or by reason of this Agreement.

SECTION 12.6 HEADINGS, SCHEDULES, AND EXHIBITS. The section and other headings contained in this Agreement are for reference purposes only and will not affect the meaning or interpretation of this Agreement. Reference to schedules and exhibits shall, unless otherwise indicated, refer to the schedules or exhibits attached to this Agreement, which shall be incorporated in and constitute a part of this Agreement by such reference.

SECTION 12.7 COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which, when executed, shall be deemed to be an original and all of which together will be deemed to be one and the same instrument.

SECTION 12.8 PUBLICITY. Seller and Buyer shall consult with and cooperate with the other with respect to the content and timing of all press releases and other public announcements, and any oral or written statements to Seller's employees concerning this Agreement and the transactions contemplated hereby. Neither Seller nor Buyer shall make any such release, announcement, or statements without the prior written consent of the other, which shall not be unreasonably withheld or delayed; provided, however, that Seller or Buyer may at any time make any announcement required by Legal Requirements so long as such party, promptly upon learning of such requirement, notifies the other of such requirement and consults with the other in good faith with respect to the wording of such announcement.

SECTION 12.9 GOVERNING LAW. The validity, performance, and enforcement of this Agreement and all transaction documents, unless expressly provided to the contrary, shall be governed by the laws of the State of Arizona without giving effect to the principles of conflicts of law of such state. Each party hereby submits to the jurisdiction of the appropriate courts of the State of Arizona and agrees to be served with legal process from any of such courts. Each party hereby irrevocably waives, to the fullest extent permitted by law, any objection that it may have, whether now or in the future, to the laying of venue in, or to the jurisdiction of, any and each of such courts for the purpose of any such suit, action, proceeding or judgment and further waives any claim that any such suit, action, proceeding or judgment has been brought in an inconvenient forum.

SECTION 12.10 THIRD PARTIES; JOINT VENTURES. This Agreement constitutes an agreement solely among the parties hereto, and, except as otherwise provided herein, is not intended to and will not confer any right, remedies, obligations, or liabilities, legal or equitable, including any right of employment on any Person (including but not limited to any employee or former employee of Seller) other than the parties hereto and their respective successors or assigns, or otherwise constitute any Person a third party beneficiary under or by reason of this Agreement. Nothing in this Agreement, expressed or implied, is intended to or shall constitute the parties hereto partners or participants in a joint venture.

SECTION 12.11 CONSTRUCTION. This Agreement has been negotiated by Buyer and Seller and their respective legal counsel, and legal or equitable principles that might require the construction of this Agreement or any provision of this Agreement against the party drafting this Agreement shall not apply in any construction or interpretation of this Agreement.

SECTION 12.12 ARBITRATION. Except for claims for injunctive relief under Section 6.10, claims for damages or specific performance pursuant to Section 10.1 or 10.2 and third-party claims by one party against the other in any action or proceeding commenced by unaffiliated persons or firms, all claims, disputes and differences hereunder shall be determined by arbitration under the rules then obtaining of the American Arbitration Association in Arizona. If $50,000 or more is at issue, the matter shall be heard by a panel of three arbitrators. In such case, Seller and Buyer shall each designate one disinterested arbitrator, and the two arbitrators so designated shall select the third arbitrator. Buyer and Seller agree that in any dispute submitted for arbitration in connection herewith, the "non-prevailing" party shall pay all fees and expenses of the arbitration proceedings incurred by the "prevailing" party if the amount of award granted to the "prevailing" party is in excess of the award, if any, granted to the "non-prevailing" party; otherwise each party shall pay its own fees and expenses and one-half of the arbitration fees and expenses.

SECTION 12.13 FURTHER ACTS. Buyer and Seller shall, without further consideration, execute and deliver such further instruments and documents and do such other acts and things as the other may reasonably request in order to confirm the transactions contemplated by this Agreement. Without limiting the foregoing, Seller shall deliver to Buyer any and all checks, drafts or other forms of payment received in respect of any of the Accounts Receivable acquired by Buyer pursuant to the terms of this Agreement and any of the Accounts Receivable subsequent to the Closing Date derived from the operations of the Business.

[Remainder of this page intentionally left blank;
Signatures to follow]

IN WITNESS WHEREOF, Buyer and Seller have executed this Agreement as of the date first written above.

BUYER:

MEDIACOM LLC

BY: /s/ Rocco B. Commisso

Name: Rocco B. Commisso
Title: Manager

SELLER:

SAGUARO CABLE TV INVESTORS, L.P.

BY: Arizona and Southwest Cable, Inc.,
its General Partner

BY: _______________________________
Name: R. Michael Kruger
Title: President

SOLELY FOR PURPOSES
OF SECTION 3.2:

____
R. MICHAEL KRUGER

IN WITNESS WHEREOF, Buyer and Seller have executed this Agreement as of the date first written above.

BUYER:

MEDIACOM LLC

By: ______________________________
Name: Rocco B. Commisso
Title: Manager

SELLER:

SAGUARO CABLE TV INVESTORS, L.P.

By: Arizona and Southwest Cable, Inc.
its General Partner

By: /s/ R. Michael Kruger

Name: R. Michael Kruger
Title: President

SOLELY FOR PURPOSES
OF SECTION 3.2:

/s/ R. Michael Kruger
- --------------------------------
R. Michael Kruger

SCHEDULES TO

ASSET PURCHASE AGREEMENT

DATED AS OF AUGUST 29 1996

BETWEEN

MEDIACOM LLC

AND

SAGUARO CABLE TV INVESTORS, L.P.

Notwithstanding anything contained in these Schedules, all liabilities relating to the operation of the Business prior to Closing shall be the sole responsibility of Seller.

EXHIBIT 10.9

8/29/96

ASSET PURCHASE AGREEMENT

dated as of August 29, 1996

between

MEDIACOM CALIFORNIA LLC

and

VALLEY CENTER CABLESYSTEMS, L.P.

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made and entered into as of August __, 1996, between Mediacom California LLC, a Delaware limited liability company whose Taxpayer Identification Number is 13-3860951 ("Buyer"), and Valley Center Cablesystems, L.P., a Colorado limited partnership whose U.S. Taxpayer Identification Number is 84-1084049 ("Seller").

RECITALS

A. Seller owns and operates cable television Systems (as hereinafter defined) franchised or holding other operating authority to serve areas in and around the communities of Valley Center and Pauma, California and located in the County of San Diego, California.

B. Seller is willing to convey to Buyer, and Buyer is willing to Purchase from Seller, substantially all of the assets comprising the Systems and the Business (as hereinafter defined), other than the Excluded Assets (as hereinafter defined), upon the terms and conditions set forth in this Agreement.

AGREEMENTS

In consideration of the mutual covenants and promises set forth herein, Buyer and Seller agree as follows:

ARTICLE I
CERTAIN DEFINITIONS

As used in this Agreement, the following terms, whether in singular or plural forms, shall have the following meanings:

"Accounts Receivable" shall mean, as of the Closing Date, all subscriber, trade or other accounts receivable of Seller, determined in accordance with GAAP, representing amounts owed to Seller in connection with its operation of the Business in the ordinary course of business.

"Affiliate" shall mean, with respect to any Person, any other Person controlling, controlled by or under common control with such Person, with "control" for such purpose meaning the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities or voting interests, by contract or otherwise.

"Agreement" means this Asset Purchase Agreement including all schedules and exhibits attached hereto, as may be amended from time to time.

"Allocation" has the meaning given in Section 2.4(d).

"Assets" has the meaning given in Section 2.1.

"Assumed Obligations and Liabilities" has the meaning given in Section 2.3(a).

"Basic Cable" means the cable television services described as Basic on Schedule 5.11.
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"Bill of Sale" has the meaning given in Section 8.2(a).

"Business" shall mean the cable television business conducted by Seller through the Systems.

"Business Day" shall mean any day other than Saturday, Sunday or a day on which banking institutions in New York, New York are required or authorized to be closed.

"Business's Financial Statements" has the meaning given in Section 5.13.

"Cable Act" means Title VI of the Communications Act of 1934, as amended, 47 U.S.C. (S)(S) 151 et. seq., and all provisions of the Cable Communications
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Policy Act of 1984, Pub. L. No. 98-549, and the Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385, as such statutes may be amended from time to time, and the rules and regulations promulgated thereunder.

"CATV" means Community Antenna Television.

"Closing" has the meaning given in Section 8.1.

"Closing Date" has the meaning given in Section 8.1.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the regulations thereunder, or any subsequent legislative enactment thereof, as in effect from time to time.

"Commercially Reasonable Best Efforts" shall mean such best efforts as do not require the party to (i) undertake extraordinary or unreasonable measures, including, without limitation, the initiation or prosecution of legal proceedings or the payment of fees in excess of normal and usual filing and processing fees or (ii) assume any additional liability or make any additional commitment.

"Communications Act" means the Communications Act of 1934, as amended.

"Contracts" has the meaning given in Section 2.1(e).

"Copyright Act" means the Copyright Act of 1976, as amended.

"Current Items Amount" has the meaning given in Section 2.6.

"Earnest Money Payment" has the meaning given in Section 2.4(b).

"EBU's" shall mean (i) the number of residential households that subscribes to Basic Cable (exclusive of secondary outlets and courtesy accounts) which pay the standard rate for Basic Cable in each System without discount, (or, in the case of each subscriber in the Rincon subdivision, which pay not less than $24.64 per month, without discount, and in the case of each subscriber in the Skyline subdivision, which pay not less than $19.58 per month, without discount) each of which has paid in full without discount at least one monthly bill generated in the ordinary course of business, none of which is pending disconnection for any reason, none of which is, as of the Closing Date, delinquent in payment for services for more than sixty days, and none of which has been obtained as a subscriber within the twelve month period preceding the Closing Date by offers made, promotions conducted and discounts given outside the ordinary course of business, plus (ii) the number of equivalent bulk subscribers (determined by dividing the aggregate dollar monthly amount collected from bulk/commercial accounts for Basic Cable by the monthly rates for Basic Cable in each System), each of which has paid in full without discount at least one monthly bill generated in the ordinary course of business, none of which is pending disconnection for any reason, none of which is, as of the Closing Date, delinquent in payment for services for more than sixty days none of which is, as of the Closing Date, delinquent in payment for services for more than sixty days, and none of which has been obtained as a subscriber within the twelve month period preceding the Closing Date by offers made, promotions conducted and discounts given outside the ordinary course of business, provided, there shall be excluded from the definition of EBU any subscriber or equivalent bulk subscriber who comes within the definition of "EBU's" because its account has been compromised or written off within the twelve month period preceding the Closing Date, other than in the ordinary course of business consistent with past practices for reasons such as service interrupted or waiver of late charges but not for the purpose of making it qualify as an EBU.

"Eligible Accounts Receivable" has the meaning given in Section 2.6(a).

"Employee Benefit Plan" means any pension, retirement, profit-sharing, deferred compensation, vacation, severance, bonus, incentive, medical, vision, dental, disability, life insurance or any other employee benefit plan as defined in Section 3(3) of ERISA to which Seller contributes or which Seller sponsors or maintains, or by which Seller is otherwise bound.

"Equipment" has the meaning given in Section 2.1(a).

"ERISA" has the meaning given in Section 5.6.

"Escrow Agent" shall be Bankers Trust, N.A., or such other party as Buyer and Seller shall agree.

"Escrow Agreement" shall mean the Escrow Agreement among Buyer, Seller and Escrow Agent, substantially in the form annexed hereto as Exhibit 2.5.

"Escrow Amount" has the meaning given in Section 2.5.

"Excluded Assets" has the meaning given in Section 2.2.

"Expenses" has the meaning given in Section 2.6(c).

"FAA" means the Federal Aviation Administration.

"FCC" means the Federal Communications Commission.

"Final Adjustment Certificate" has the meaning given in Section 2.7(c).

"Franchises" has the meaning given in Section 2.1(c).

"GAAP" shall mean generally accepted accounting principles as in effect in the United States of America.

"Governmental Authority" means the United States of America, any state, commonwealth, territory, or possession thereof, and any political subdivision or quasi-governmental authority of any of the same, including any court, tribunal, department, bureau, commission or board.

"Hazardous Substances" has the meaning given in Section 5.12(d).

"Indemnitee" has the meaning given in Section 11.3(a).

"Indemnitor" has the meaning given in Section 11.3(a).

"Initial Adjustment Certificate" has the meaning given in Section 2.7(a).

"Intangibles" has the meaning given in Section 5.16.

"Judgment" means any judgment, writ, order, injunction, award, or decree of any court, judge, justice, magistrate, Governmental Authority or arbitrators.

"Leased Real Property" has the meaning given in Section 2.1(b).

"Legal Requirements" means applicable common law and any statute, ordinance, code or other law, rule, regulation, or order enacted, adopted or promulgated by any Governmental Authority, including, without limitation, Judgments and the Franchises.

"Licenses" has the meaning given in Section 2.1(d).

"Lien" means any security agreement, financing statement filed with any Governmental Authority, conditional sale or other title retention agreement, any lease, consignment or bailment given for purposes of security, any lien, mortgage, indenture, pledge, caption, encumbrance, adverse interest, constructive trust or other trust, claim, attachment, exception to or defect in title or other ownership interest (including, but not limited to, reservations, rights of entry, possibilities of reverter, encroachments, easement, rights-of-way, rights of first refusal, restrictive covenants, leases, and licenses) of any kind that otherwise constitutes an interest in or claim against property, whether arising pursuant to any Legal Requirement, under any Contract or otherwise.

"Litigation" means any claim, action, suit, proceeding, arbitration, investigation, hearing, or other similar activity or procedure that could result in a Judgment.

"Losses" means any claims, losses, liabilities, damages, penalties, costs, and expenses, including, without limitation, reasonable counsel fees and costs and expenses incurred in the investigation, defense or settlement of any claims covered by the indemnification provided for in Article 11 hereof, but shall in no event include incidental or consequential damages.

"Noncompetition Agreement" has the meaning given in Section 3.2.

"Owned Real Property" has the meaning given in Section 2.1(b).

"Partner" means the general partner or any limited partner of Seller, and "Partners" means the general partner and the limited partners of Seller, collectively.

"Pay TV" means premium programming services selected by and sold to subscribers on a per-channel or per-program basis.

"Permitted Lien" means (i) Liens for Taxes that are not yet due and payable or that are being contested in good faith by appropriate proceedings and for which adequate reserves has been established by Seller, (ii) rights reserved to any Governmental Authority to regulate the affected property, (iii) as to leased Assets, interests of the lessors thereof and Liens affecting the interests of the lessors thereof, (iv) inchoate materialmen's, mechanics', workmen's, repairmen's or other like Liens arising in the ordinary course of business, (v) as to any parcel of Owned Real Property or Leased Real Property, Liens that do not in any material respect, individually or in the aggregate, affect or impair the value or use thereof as it is currently being used by Seller in the ordinary course of the business or render title thereto unmerchantable or uninsurable, and (vi) the Liens described on Schedule 5.4.

"Person" means any natural person, Governmental Authority, corporation, general or limited partnership, joint venture, trust, association, limited liability company, or unincorporated entity of any kind.

"Pole Attachment Agreements" means pole attachment authorizations and agreements held by Seller that relate to a System and were granted by a public utility or other Person providing utility services, municipality or other Governmental Authority.

"Purchase Price" has the meaning given in Section 2.4(a).

"Required Consents" shall mean any registration or filing with, consent or approval of, notice to, or action by any Person or Governmental Authority required to permit the transfer of the Assets to Buyer or to permit Seller to perform any of its other obligations under this Agreement, as set forth in Schedule 5.3.
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"Rate Regulation Rules" shall mean the FCC rules currently in effect implementing the cable television rate regulations provisions of the Cable Act.

"Required EBU's" shall mean 2,000 EBU's.

"Study" shall mean a Phase I environmental study of all Real Property and Owned Real Property which shall be transferred to Buyer pursuant to this Agreement.

"Subscriber Adjustment" has the meaning given in Section 2.7(b).

"Systems" shall mean the cable television reception and distribution systems consisting of one or more headends, subscriber drops and associated electronic and other equipment which are, or are capable of being, operated as an independent system without interconnection with other systems, and which provide cable television service pursuant to the respective Franchises.

"Taxes" shall mean all levies and assessments imposed by any Governmental Authority, including but not limited to income, sales, use, ad valorem, value added, franchise, severance, net or gross proceeds, withholding, payroll, employment, excise or property taxes, and interest, penalties and other government charges with respect thereto.

"Taxing Authority" shall mean any federal, state, local or foreign governmental body or political subdivision with the power to impose Taxes.

"Tax Returns" shall mean any return, report, information return or other document (including any related or supporting information) filed or required to be filed with any Taxing Authority in connection with the determination, assessment, collection, administration or reposition of any Taxes.

"Transaction Documents" shall mean this Agreement, the Escrow Agreement, the Noncompetition Agreement and each other instrument, document, certificate and agreement required or contemplated to be executed and delivered hereunder and thereunder.

"To Seller's knowledge" or the equivalent means to the actual knowledge, after due inquiry, of the general manager of any System or any officer or director of Seller's general partner.

ARTICLE II
PURCHASE AND SALE

SECTION 2.1 COVENANT OF PURCHASE AND SALE; ASSETS. Subject to the terms and conditions set forth in this Agreement, at Closing Seller shall sell, convey, assign, and transfer to Buyer, and Buyer shall acquire from Seller in consideration for the Purchase Price, free and clear of all Liens (except for Permitted Liens, other than those Permitted Liens identified on Schedule 5.4 as Liens to be terminated, released, removed or satisfied as of the Closing Date), all right, title and interest of Seller or any Affiliate of Seller in all of the assets and properties, real and personal, tangible and intangible, used or held for use by Seller in its operation of the Business (the "Assets"), including, without limitation, the following:

(a) Equipment. All tangible personal property, including, without limitation, towers, tower equipment, antennae, aboveground and underground cable, distribution systems, headend and line amplifiers, feeder line cable, distribution plant, programming signal decoders for each satellite service which scrambles its signal, housedrops, including disconnected housedrops, subscribers' devices (including converters, encoders, transformers behind television sets and fittings), utility poles (if owned by Seller), local origination equipment, vehicles and trailers, microwave equipment, testing equipment, electronic devices, trunk and distribution coaxial and optical fiber cable, power supplies, conduit, vaults and pedestals, grounding and pole hardware, headend hardware (including origination, earth stations, transmission and distribution systems), test equipment, power supplies, office and billing computers and other equipment, furniture, fixtures, supplies, inventory, and other physical assets owned, used or held for use by Seller in connection with the Business, including but not limited to the items described on Schedule 2.1(a) (collectively, the "Equipment").

(b) Real Property. All interests in real property used by Seller in connection with the operation of the Business, including all improvements, fixtures and appurtenances thereon, owned by Seller, described on Schedule 2.1(b) (I), ("Owned Real Property"), or leased by Seller, described on Schedule 2.1(b) (II) ("Leased Real Property"; and together with the Owned Real Property, the "Real Property").

(c) Franchises. All of the existing governmental authorizations for construction, maintenance and operation of the Business (individually, a "Franchise" and collectively, the "Franchises") presently held by Seller as listed on Schedule 2.1(c).

(d) Licenses. The intangible CATV channel distribution rights, cable television relay service (CARS), business radio and other licenses, authorizations, or permits issued by the FCC or any other Governmental Authority (excluding those listed on Schedule 2.1(c)) used in the operations of the Business that are in effect as of the date hereof or entered or obtained in the ordinary course of business between the date hereof and the Closing Date (the "Licenses"), including, without limitation, the Licenses described on Schedule 2.1(d).

(e) Contracts. The leases, private easements or rights of access, contractual rights to easements, Pole Attachment Agreements or joint line agreements, underground conduit agreements, crossing agreements, bulk and commercial service agreements, retransmission consent agreements and must-carry requests, agreements for leases, agreements or understandings relating to the Business in effect as of the date hereof or entered or obtained in the ordinary course of business between the date hereof and the Closing Date as permitted by this Agreement (other than Excluded Assets) (the "Contracts"), as described on Schedule 2.1(e).

(f) Accounts Receivable. All Accounts Receivable.

(g) Goodwill. The goodwill associated with the Business.

(h) Intangibles. The Intangibles, if any, associated with the Business.

(i) Books and Records. All engineering records, files, data, drawings, blueprints, schematics, reports, lists, plans and processes, maps of the Systems, billing manuals and other data owned by the Seller relating to the billing practices and procedures of the Business, and all files of correspondence, lists, records, and reports concerning customers and subscribers and prospective customers and subscribers of the Systems and the Business, personnel records relating to employees of the Business who are to be hired by Buyer, signal and program carriage, and dealings with Governmental Authorities, including, but not limited to, all reports filed by or on behalf of Seller with the FCC with respect to the Systems and statements of account filed by or on behalf of Seller with the U.S. Copyright Office with respect to the Business.

SECTION 2.2 EXCLUDED ASSETS. Notwithstanding the provisions of Section 2.1, the Assets shall not include the following, which shall be retained by Seller (the "Excluded Assets"):

(a) programming and agreements other than those listed on Schedule 2.1(e) (which are to be assigned);

(b) insurance policies and rights and claims thereunder;

(c) bonds, letters of credit, surety instruments, and other similar items;

(d) cash and cash equivalents;

(e) equipment owned by customers of the Business, such as converters purchased by customers, pagers and house wiring;

(f) any agreement, right, asset or property owned or leased by Seller that is not used or held for use in connection with its operation of the Systems;

(g) all claims, rights, and interest in and to refunds of Taxes or fees of any nature, or other claims against third parties, relating to the operation of the Systems prior to the Closing Date;

(h) the account books of original entry, general ledgers and financial records used in connection with the Systems, provided, however, that Seller shall (i) from time to time upon reasonable notice from Buyer, provide to Buyer access to any of such books and records as then may be in Seller's possession, (ii) retain possession of such books and records for a reasonable period, not to exceed three (3) years from the Closing Date (except for Tax-related books and records which shall be retained by Seller for at least seven (7) years from the Closing Date), and (iii) notify Buyer in writing at least thirty (30) days prior to disposing of or destroying any of such books and records and permit Buyer to arrange, at Buyer's cost, for the delivery to Buyer of the books and records proposed to be disposed or destroyed;

(i) subject to the provisions of Section 3.4, Seller's trademarks, trade names, service marks, service names, logos, and similar proprietary rights; and

(j) any other items described on Schedule 2.2.

SECTION 2.3 ASSUMED AND RETAINED OBLIGATIONS AND LIABILITIES.

(a) Assumed Obligations and Liabilities. Subject to the terms and conditions of this Agreement, from and after the Closing Date, Buyer shall assume, pay, discharge, and perform the following (the "Assumed Obligations and Liabilities"):

(i) those obligations and liabilities attributable to periods after the Closing Date under or with respect to any of the Franchises, Licenses or Contracts assumed by Buyer;

(ii) other obligations and liabilities of Seller (including those comprising the Current Liabilities Amount) to the extent that there shall be a reduction in the Purchase Price with respect thereto pursuant to Section 2.6; and

(iii) all obligations and liabilities arising out of Buyer's ownership of the Assets or operation of the Systems and the Business after the Closing Date (including without limitation all obligations and liabilities for adjustments of revenues from the Business and for any rate refunds, rollback, credit, penalty and/or interest payment required by the FCC or local franchising authority relating to the rates charged to customers of the Systems and the Business during any period after the Closing Date for which Buyer received subscriber payments).

(b) Retained Obligations and Liabilities. All obligations and liabilities arising out of or relating to the Assets, the Systems or the Business and all other liabilities and obligations of Seller and each Partner, other than the Assumed Obligations and Liabilities, shall remain and be the obligations and liabilities solely of Seller or the appropriate Partner (collectively, the "Retained Obligations and Liabilities"). Without limiting the generality of the foregoing, Retained Obligations and Liabilities shall include the following:

(i) all obligations and liabilities arising out of or relating to the Litigation and Judgments relating to periods prior to the Closing Date, including as disclosed on Schedule 5.8;

(ii) unless specifically assumed by Buyer, all obligations and liabilities arising before the Closing Date with respect to the Franchises, Contracts, Owned Real Property and Leased Real Property;

(iii) all obligations and liabilities for adjustment of revenues from the Business and for any rate refunds, rollback, credit, penalty and/or interest payment required by the FCC or local franchising authority relating to the rates charged to customers of the Systems and the Business during any period prior to the Closing Date;

(iv) any liability under any claim relating to the period ending as of the Closing Date that is or, but for the consummation of the transactions contemplated hereby, would have been covered under any insurance policy of Seller, and all liability associated with workmen's compensation claims that relate to the period prior to the Closing Date, whether or not reported or due or payable as of the Closing Date; and

(v) all obligations and liabilities with respect to the Excluded Assets.

SECTION 2.4 PURCHASE PRICE.

(a) Calculation of Purchase Price. As consideration for its purchase of the Assets, Buyer shall pay to Seller a total price of $2,515,000, which amount shall be subject to adjustment under certain circumstances as set forth herein (the "Purchase Price").

(b) Earnest Money Payment. Upon execution of this Agreement, Buyer shall pay to Seller the sum of $25,000 ("Earnest Money Payment") which shall under no circumstances be refundable to Buyer and shall unconditionally become the property of Seller, but shall nonetheless be credited against the amount of the Purchase Price due from Buyer at Closing.

(c) Payment of Purchase Price. At Closing, Buyer shall pay to Seller the balance of the Purchase Price plus or minus the Current Items Amount (as appropriate) as calculated and estimated in the Initial Adjustment Certificate, less any Subscriber Adjustment in accordance with the provisions of Section 2.7(b) and less the Escrow Amount that shall have been deposited by Buyer into the escrow account established pursuant to Section 2.5 below.

(d) Purchase Price Allocation. Attached hereto as Schedule 2.4(d) is the allocation (the "Allocation") of the Purchase Price and the Assumed Obligations and Liabilities to the individual assets or classes of asset (within the meaning of Section 1060 of the Code). Buyer, Seller, each Partner, and their respective affiliates, shall file all Tax returns and schedules thereto (including, without limitation, those returns and forms required by Section 1060 of the Code) consistent with the Allocation unless otherwise required by the applicable Legal Requirements.

SECTION 2.5 ESCROW AMOUNT. On the later of 45 Business Days from the date hereof and September 15, 1996 (unless this Agreement is terminated prior to such date pursuant to Section 9.3), $175,000 of the Purchase Price ("Escrow Amount") shall be deposited by Buyer into an interest bearing escrow account set up and maintained by the Escrow Agent pursuant to the Escrow Agreement. All fees, costs and expenses of the Escrow Agent to be paid pursuant to the Escrow Agreement shall be payable one-half by Buyer and one-half by Seller.

SECTION 2.6 CURRENT ITEMS AMOUNT. In addition to the payment by Buyer of the Purchase Price, Buyer or Seller, as appropriate, shall pay to the other the net amount of the adjustments and prorations effected pursuant to Sections 2.6(a), (b), and (c) (collectively, the "Current Items Amount").

(a) Eligible Accounts Receivable. Seller shall be entitled to a credit in an amount equal to (i) ninety percent (90%) of the face amount of all Eligible Accounts Receivable that are thirty (30) or fewer days past due as of the Closing Date, (ii) sixty percent (60%) of the face amount of all Eligible Accounts Receivable that are more than thirty (30) but fewer than sixty (60) days past due as of the Closing Date, and (iii) zero percent (0%) of the full amount of Eligible Accounts Receivable that are sixty (60) or more days past due as of the Closing Date, it being understood and agreed that all amounts owed by customers shall be discounted by the percentage discount applicable to the most aged Eligible Account Receivable attributable to such customer. "Eligible Accounts Receivable" shall mean accounts receivable resulting from Seller's provision of cable television service prior to the Closing Date to the Systems' subscribers. For purposes of making "past due" calculations under this paragraph, the monthly billing statements of Seller shall be deemed to be due and payable on the first day of the period during which the service for which such billing statements relate is provided.

(b) Advance Payments and Deposits. Buyer shall be entitled to a credit in an amount equal to the aggregate of (i) all deposits of customers and subscribers of the Systems and the Business, and all interest, if any, required to be paid thereon as of the Closing Date, for converters, decoders, and similar items, and (ii) the appropriate portion of all payments received by Seller for services to be rendered by Buyer including services to subscribers of the Systems, after the Closing Date, or for other services to be rendered by Buyer to other third parties after the Closing Date for cable television commercials, channel leasing, or other services or rentals, to the extent the obligations of Seller relating thereto are assumed by Buyer at Closing.

(c) Expenses. As of the Closing Date, expenses of a recurring nature that are incurred to benefit the Business and are incurred in the ordinary course of business (the "Expenses"), including those set forth below, shall be prorated, in accordance with GAAP, so that all such Expenses for periods prior to the Closing Date shall be for the account of Seller, and all such expenses for periods after the Closing Date shall be for the account of Buyer:

(i) all Expenses under any of the Franchises, the Licenses, or the Contracts;

(ii) Taxes levied or assessed against any of the Assets or payable with respect to cable television service and related sales to the Systems' subscribers or otherwise in connection with the Business;

(iii) Expenses for utilities, municipal assessments, rents and service charges, and other goods or services furnished to the Business; and

(iv) copyright fees based on signal carriage by the Systems.

Provided, however, that Seller and Buyer shall not prorate any Expense payable under or with respect to any Excluded Asset, or any expense for capital expenditures actually incurred or contracted for prior to the Closing Date, all of which shall remain and be solely for the account of Seller.

SECTION 2.7 PURCHASE PRICE AND CLOSING ADJUSTMENTS.

(a) The Initial Adjustment Certificate. No later than fifteen (15) Business Days prior to the Closing Date, Seller shall deliver to Buyer Seller's certificate estimated as of the Closing Date ("Initial Adjustment Certificate") setting forth the number and calculation of EBU's and all adjustments including the Current Items Amount and Subscriber Adjustment, if any, proposed to be made at the Closing as of the Closing Date. Prior to Closing, Seller shall provide Buyer or Buyer's representative with copies of all books and records as Buyer may reasonably request for purposes of verifying the Initial Adjustment Certificate and shall meet with Buyer's accountants and other representatives, but without limiting Seller's obligations hereunder to certify the Initial Adjustment Certificate.

At the Closing, all adjustments will be made on the basis of the Initial Adjustment Certificate, provided Buyer has not given notice to Seller that, in Buyer's opinion, the proposed adjustments are materially incorrect. If Buyer gives notice that in its opinion, the proposed adjustments are materially incorrect, and if the parties have not been able to resolve the matter prior to the Closing Date, any disputed amounts shall be paid by the party to be charged with a disputed adjustment, into escrow, and shall be held by the Escrow Agent in accordance with the Escrow Agreement until the Closing Adjustments are finally determined pursuant to Section 2.7(c), at which time Seller and Buyer shall deliver a joint written notice to the Escrow Agent setting forth appropriate instructions as to the disposition from escrow of such disputed amounts deposited thereunder, in accordance with the Escrow Agreement.

(b) Subscriber Adjustment. The Purchase Price shall be reduced by an amount equal to $1,250 times the difference between the number of Required EBU's and the number of EBU's actually delivered on the Closing Date (the "Subscriber Adjustment").

(c) Trueup of Current Items Amount. As soon as practicable after the Closing Date, and in any event within one hundred twenty (120) days after the Closing Date, Buyer shall deliver to Seller a final calculation calculated as of the Closing Date, of the Current Items Amount, the Subscriber Adjustment, if any, and the number of EBU's, together with such supporting documentation as Seller may reasonably request, in a certificate (the "Final Adjustment Certificate"), which shall evidence in reasonable detail the nature and extent of each calculation. The Final Adjustment Certificate shall be final and conclusive unless objected to

by Seller in writing within thirty (30) days after delivery. Seller and Buyer shall attempt jointly to reach agreement as to the amount of the Current Items Amount and Subscriber Adjustment within forty-five (45) days after receipt by Buyer of such written objection by Seller, which agreement, if achieved, shall be binding upon both parties to this Agreement and not subject to dispute or review. If Seller and Buyer cannot reach agreement as to the amount of the closing adjustments within such forty-five (45) day period, Seller and Buyer agree to submit promptly any disputed adjustment to arbitration in accordance with Section 12.12 hereof. Any amounts due Buyer or Seller for closing adjustments shall be paid by the party owing such amount (or, to the extent disputed amounts are held by the Escrow Agent, shall be paid by the Escrow Agent pursuant to joint written instructions of Buyer and Seller in accordance with such final resolution) not later than five (5) Business Days after such amounts shall have become final and conclusive.

ARTICLE III
RELATED MATTERS

SECTION 3.1 HSR ACT COMPLIANCE. Buyer and Seller each agrees that the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, does not require either party to make any filings or take any other action thereunder in connection with the transactions contemplated hereby insofar as the aggregate consideration payable hereunder by Buyer to Seller shall in no event equal or exceed $15,000,000.

SECTION 3.2 NONCOMPETITION AGREEMENT. Seller and R. Michael Kruger each agrees to execute and deliver to Buyer at Closing a five-year noncompetition and confidentiality agreement in the form of Exhibit 3.2 (the "Noncompetition Agreement"). A portion of the Purchase Price, not to exceed $75,000.00, shall be allocated as compensation for the Noncompetition Agreement.

SECTION 3.3 BULK SALES. Buyer and Seller each waives compliance by the other with all bulk sales Legal Requirements applicable to the transactions contemplated hereby.

SECTION 3.4 USE OF NAMES AND LOGOS. For a period of one-hundred twenty (120) days after Closing, Buyer shall be entitled to use the trademarks, trade names, service marks, service names, logos, and similar proprietary rights of Seller to the extent incorporated in or on the Assets.

SECTION 3.5 TRANSFER TAXES. Seller and Buyer each shall be liable for one-half of all sales, use, transfer, and similar Taxes (other than income taxes) arising from or payable by reason of the transactions contemplated by this Agreement, and each party shall indemnify and hold the other party harmless from and against all Losses arising from Taxes for which it is liable hereunder.

ARTICLE IV
BUYER'S REPRESENTATIONS AND WARRANTIES

Buyer represents and warrants to Seller, as of the date of this Agreement and as of Closing, as follows:

SECTION 4.1 ORGANIZATION OF BUYER. Buyer is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Delaware, and has all requisite power and authority to own and lease the properties and assets it currently owns and leases and to conduct its activities as such activities are currently conducted. Buyer is qualified to do business and will be in good standing in California and on or prior to the Closing Date will be qualified to do business and in good standing in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary.

SECTION 4.2 AUTHORITY. Buyer has all requisite limited liability company power and authority to execute, deliver, and perform this Agreement and the other Transaction Documents to which it is a party and consummate the transactions contemplated by this Agreement and the other Transaction Documents to which it is a party. The execution, delivery, and performance of this Agreement and each other Transaction Documents to which it is a party and the consummation of the transactions contemplated by this Agreement and each transaction Documents to which Buyer is a party have been duly and validly authorized by all necessary limited liability company action on the part of Buyer. This Agreement has been, and the other Transaction Documents to which Buyer is a party will be on or prior to the Closing, duly and validly executed and delivered by Buyer, and this Agreement and each of the other Transaction Documents to which Buyer is a party constitutes and will constitute on or prior to Closing the valid and binding obligation of Buyer, enforceable against Buyer in accordance with their respective terms, except as may be limited by applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally or the availability of equitable remedies.

SECTION 4.3 NO CONFLICT; REQUIRED CONSENTS. Except as set forth in Schedule 4.3 or except as will not have a material adverse effect on the ability of Buyer to perform its obligations hereunder, the execution, delivery, and performance by Buyer of this Agreement and the other Transaction Documents to which it is a party do not and will not (a) conflict with or violate any provision of the articles of organization or operating agreement of Buyer, (b) violate any provision of any Legal Requirement, (c) conflict with, violate, result in a breach of, or constitute a default under any agreement to which Buyer is a party or by which Buyer or the assets or properties owned or leased by it are bound or affected, or (d) require any consent, approval, or authorization of, or filing of any certificate, notice, application, report, other document with, any Governmental Authority or other Person.

SECTION 4.4 LITIGATION. Except for any Litigation as may affect the cable television industry (national or regional) generally, there is no Litigation pending or, to Buyer's knowledge, threatened by, against, affecting, or relating to Buyer or any of its Affiliates in any court or before any Governmental Authority or any arbitrator that, if adversely determined, would restrain or materially hinder or delay the consummation of the transactions contemplated by this Agreement or cause any of such transactions to be rescinded.

SECTION 4.5 FINDERS AND BROKERS. Buyer has not employed any financial advisor, broker, or finder, or incurred any liability for any financial advisory, brokerage, finder's or similar fee or commission, for which Seller will in any way have any liability in connection with the transactions contemplated by this Agreement.

SECTION 4.6 FULL ACCESS. Buyer's representatives have received access to Seller's books and records and to the facilities and the Assets of the Systems to the extent requested by Buyer, and Seller has cooperated with Buyer to the end that Buyer has been able to conduct its own inspection and investigation of the Systems and the Assets to Buyer's satisfaction and has independently investigated, analyzed and appraised the condition, value, prospects and profitability thereof and performed such other presigning due diligence in connection with the transactions contemplated by this Agreement in accordance with the normal practice of Buyer. Notwithstanding the foregoing, Buyer's investigation shall not limit or effect any of the representations or warranties of the Seller contained in this Agreement.

SECTION 4.7 TAXPAYER IDENTIFICATION NUMBER. Buyer's U.S. Taxpayer Identification Number is as set forth in the introductory paragraph of this Agreement.

ARTICLE V
SELLER'S REPRESENTATIONS AND WARRANTIES

Seller represents and warrants to Buyer, as of the date of this Agreement and as of Closing, as follows:

SECTION 5.1 ORGANIZATION AND QUALIFICATION OF SELLER. Seller is a limited partnership duly organized and validly existing under the laws of the State of Colorado, and has all requisite partnership power and authority to own, lease and use the properties and assets it currently owns, leases and uses and to conduct its activities as such activities are currently conducted. Seller is duly qualified to do business and validly existing as a foreign limited partnership in California and is not required to be qualified or licensed in any other jurisdiction. Seller's general partner is Western Cablesystems III, Inc., which is a corporation duly organized, validly existing and in good standing under the laws of the State of Colorado, which is duly qualified to do business as a foreign corporation and is in good standing in California, and which has all requisite corporate power and authority to own all its assets and to carry on its business as now conducted. Seller has delivered to Buyer a true and complete copy of the limited partnership agreement of Seller together with all amendments and modifications thereto. Other than the management of the Business by Western Cablesystems, Inc., an Affiliate of Seller, Seller has not conducted the Business through, and none of the Assets are held or owned by, any subsidiary, Affiliate or other entities.

SECTION 5.2 AUTHORITY. Seller has all requisite partnership power and authority to execute, deliver, and perform this Agreement and each other Transaction Document to which it is a party and consummate the transactions contemplated hereby and thereby. The execution, delivery, and performance of this Agreement and each other Transaction Document to which it is a party and the consummation of the transactions contemplated by this Agreement and each other Transaction Document to which Seller is a party have been duly and validly authorized by all necessary partnership action on the part of Seller. This Agreement and each other Transaction Document to which it is a party has been or will be on or prior to the Closing, duly and validly executed and delivered by Seller, and this Agreement and each other Transaction Document to which it is the party constitute and will constitute on or prior to the Closing, the legal, valid, and binding obligation of Seller, enforceable against Seller in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally or the availability of equitable remedies.

SECTION 5.3 NO CONFLICT; REQUIRED CONSENTS.

(a) Except for (i) the Required Consents and (ii) filings, waivers, approvals, actions, authorization, qualifications and consents which, if not made or obtained, would not, individually or in the aggregate, have a material adverse effect on the Assets, the Systems, the Business, Seller's ability to perform its obligations under this Agreement or the other Transaction Documents to which it to a party or, to the best of Seller's knowledge, Buyer's ability to conduct the Business after the Closing in substantially the same manner in which it is currently conducted by Seller, no consent, waiver, approval, action or authorization of, or filing, registration or qualification with, any Governmental Authority is required to be made or obtained by Seller in connection with the execution, delivery and performance of this Agreement or the other Transaction Documents to which it is a party.

(b) Except as described on Schedule 5.3, the execution, delivery, and performance by Seller of this Agreement and each other Transaction Document to which it is a party do not and will not (a) conflict with or violate any provision of the limited partnership agreement of Seller; (b) violate any provision of any Legal Requirement; (c) (i) conflict with, violate, result in a breach of, or constitute a default under (without regard to requirements of notice, passage of time or elections of any Persons), (ii) permit or result in the termination, suspension or modification of, (iii) result in the acceleration of (or give any Person the right to accelerate) the performance of Seller under, any Contract, agreement, or understanding to which Seller is a party or by which Seller or any of the Assets is bound or affected or (d) result in the creation or imposition of any Lien or other encumbrance of any nature whatsoever against or upon any of the Assets; provided that, with respect to (c) and (d) of this Section 5.3, such prohibition shall not apply to a conflict, violation, breach, default, consent or filing that would not impair the ability of Seller to perform hereunder or that would not have an adverse effect on any of the Assets or the financial condition or business of any of the Systems or the Business. Except as described on Schedule 5.3, no approval, application, filing, registration, contract or other action of any Person is required to enable Seller to take advantage of the rights and privileges intended to be conferred by any License or Franchise.

SECTION 5.4 TITLE TO ASSETS; SUFFICIENCY. Except for Permitted Liens, Seller has good and marketable title to (or, in the case of Assets that are leased, valid leasehold interests in) and possession of all of the Assets, free and clear of all Liens. Upon Closing, Buyer will have good and marketable title to and possession of the Assets, free and clear of all Liens (except for Permitted Liens other than those designated Permitted Liens described on Schedule 5.4, which will be terminated, released, removed or satisfied by the Closing Date). Except for the Excluded Assets and except for the absence of various easements, apartment access agreements and/or commercial service agreements permitting Seller to locate cable on real property owned by third parties which individually or in the aggregate does not and will not have a material adverse effect on any of the Assets, the operation of any System or the financial condition or business of any System, the Assets constitute all property and rights, real and personal, tangible and intangible, necessary or required to operate the Business as currently operated and conducted and to prepare and render complete and accurate invoices to the subscribers of the Systems and customers of the Business as currently prepared and rendered. Except as set forth on Schedule 5.4, Seller has not signed any Uniform Commercial Code financing statement or any security agreement or mortgage or similar agreement authorizing any Person to file any financing statement or claim any security interest or lien with respect to any of the Assets. Seller has no properties or assets used or held for use in the Business that are not included in the Assets, other than the Excluded Assets; and except for the Excluded Assets, the Assets to be transferred to Buyer at the Closing include all Equipment, Contracts, Franchises, Licenses and other property and assets necessary for the conduct of the Business in the ordinary course of business in substantially the same manner as conducted prior to the Closing Date.

SECTION 5.5 FRANCHISES, LICENSES AND CONTRACTS. Seller has delivered to Buyer true and complete copies of each of the Franchises, Licenses, and Contracts (including without limitation all Contracts with bulk or commercial service accounts of any System) and all amendments, assignments and consents thereto. Except for the Contracts that are Excluded Assets, Seller is not bound or affected by any other material contract, agreement or understanding that relates to the Business. Except as described on Schedule 5.5, other than the Franchises and the Licenses, Seller requires no franchise, license or permit from any Governmental Authority to enable it to operate the Business as currently operated. To Seller's knowledge, except as described in Schedule 5.5, each of the Franchises, Licenses, and Contracts is in full force and effect, is valid, binding and enforceable in accordance with its terms and is valid under and complies in all respects within all applicable Legal Requirements. Except as described on Schedule 5.5, there has not occurred any default by Seller nor, to Seller's knowledge, by any other Person under any of the Franchises, Licenses, or Contracts. Seller has not received from any Governmental Authority a notice of default under any Franchise or License that would require it (in order to preserve its right to assert that a Governmental Authority has waived a default) to provide written notice to a Governmental Authority of its failure or inability to cure a default under such Franchise or License.

SECTION 5.6 EMPLOYEE BENEFITS. Neither Seller nor any Employee Benefit Plan (as defined in the Employer Retirement Income Security Act of 1974, as amended ("ERISA"), maintained by Seller or by its general partner is in violation of the provisions of ERISA; no reportable event, within the meaning of Sections 4043(c) (1), (2), (3), (5), (6), (7), (10) or (13) of ERISA has occurred and is continuing with respect to any such Employee Benefit Plan; and no prohibited transaction within the meaning of Title I of ERISA has occurred with respect to any such Employee Benefit Plan. Buyer is not required under ERISA, the Code or any collective bargaining agreement to establish, maintain or continue any Employee Benefit Plan maintained by Seller or any of Seller's Affiliates or Partners.

SECTION 5.7 EMPLOYEES.

(a) Except as set forth in Schedule 5.7, there are no collective bargaining agreements applicable to any Person employed by Seller that renders services in connection with the Systems or the Business, and Seller has no duty to bargain with any labor organization with respect to any such Person. There are not pending any unfair labor practice charges against Seller, nor is there any demand for recognition or any other request or demand from a labor organization for representative status with respect to any Person employed by Seller that renders services in connection with the Systems or the Business.

(b) Seller is in substantial compliance with all applicable Legal Requirements respecting employment conditions and practices, has withheld and paid all amounts required by any applicable Legal Requirements or Contracts to be withheld from the wages or salaries of its employees, and is not liable for any arrears of wages or any Taxes (other than wages and Taxes that have not become due or payable) or penalties for failure to comply with any of the foregoing.

(c) Seller has not engaged in any unfair labor practice within the meaning of the National Labor Relations Act and has not violated any Legal Requirement prohibiting discrimination on the basis of race, color, national origin, sex, religion, age, marital status, or handicap in its employment conditions or practices. There are no pending or, to Seller's knowledge, threatened unfair labor practice charges or discrimination complaints relating to race, color, national origin, sex, religion, age, marital status, or handicap against Seller before any Governmental Authority.

(d) There are no existing or, to Seller's knowledge, threatened labor strikes, disputes, grievances, or other labor controversies affecting the Business. There are no pending or, to Seller's knowledge, threatened representation questions respecting Seller's employees. There are no pending or, to Seller's knowledge, threatened arbitration proceedings under any Contracts.

(e) Except as set forth on Schedule 5.7, Seller is not a party to any employment agreement, commitment, arrangement or understating, written or oral, relating to employees or consultants of the Business.

(f) Schedule 5.7 sets forth a true and complete list of the names, social security numbers, titles, job descriptions, and rates of compensation of all of the employees of the Business, including the length of time such employee has been employed with the Seller, whether such employee is full time or part time, and any bonus or other direct or indirect compensation and employee benefits.

SECTION 5.8 LITIGATION. Except as set forth on Schedule 5.8 and any Litigation or Judgment affecting the cable television industry generally, there is no Litigation or Judgment outstanding or pending or, to Seller's knowledge, threatened, involving or affecting the Systems, the Assets or the Business. To Seller's knowledge, no facts or circumstances exist that could reasonably be expected to give rise to any such Litigation or Judgment that will have a material adverse effect on the financial condition or operation of any of the Systems, the Assets, the Business or the ability of Seller to perform its obligations under this Agreement or the other Transaction Documents to which it is a party, or that seeks or could result in the modification, revocation, termination, suspension, or other limitation of any of the Franchises, Licenses or Contracts.

SECTION 5.9 TAX RETURNS; OTHER REPORTS. Seller has as of the date hereof, and will have as of the Closing Date, timely filed in proper form all Tax Returns and all other reports that reasonably may affect Buyer's rights to and ownership of the Assets, the Systems or the Business that are required to be filed as of the date hereof, or which are required to be filed on or before the Closing Date, as the case may be, and all such Tax Returns were prepared in good faith and are accurate and complete in all material respects, and, to the best of Seller's knowledge, there is no basis for assessment of any addition to any Taxes shown thereon. Except as set forth on Schedule 5.9, all Taxes due or payable by Seller and the Partners on or before the date hereof or the Closing Date, as the case may be, the non-payment of which could result in a lien upon the Assets, any of the Systems or the Business (including any Taxes, liabilities or amounts owing resulting from liability of Seller as the transferee of the assets of, or successor to, any other corporation or entity or resulting by reason of Seller having been a member of any group of corporations filing a consolidated, combined or unitary Tax Return) have been or will be timely paid, except to the extent any such Taxes (as set forth as of the date hereof on Schedule 5.9) are being contested in good faith by appropriate proceedings by Seller and for which adequate reserves for any disputed amounts shall have been established in accordance with GAAP. Except as set forth on Schedule 5.9, as of the date hereof, there has been no Tax examination, audit, proceeding or investigation of Seller, or with respect to the Assets, the System or the Business, by any relevant Taxing Authority, and Seller does not have any outstanding Tax deficiency or assessment. Except as set forth on Schedule 5.9, there are no pending or, to the best of Seller's knowledge, threatened actions, audits, examination, proceedings or investigations, by any relevant Taxing Authority with respect to Seller, the Assets, the Systems, or the Business. There is no outstanding request for an extension of time within which to pay any Taxes with respect to Seller, the Assets, the Systems or the Business. Seller has withheld and paid in a timely manner to all relevant Taxing Authorities all payments for withholding Taxes, unemployment insurance and other amounts required to be withheld and paid. All Taxes of or with respect to Seller, the Assets, the Systems and the Business relating to the period prior to the Closing shall be the responsibility of Seller.

SECTION 5.10 SYSTEM COMPLIANCE.

(a) Except as otherwise expressly provided herein and in the Schedules hereto, Seller's operation of each of the Systems and the Business is in material compliance with all applicable Legal Requirements, including without limitation, the Communications Act, the Copyright Act, the Cable Act, the Occupational Safety and Health Act, and the rules and regulations of the FCC, the United States Copyright Office, and the Equal Employment Opportunity Commission including, without limitation, rules and laws governing system registration, use of aeronautical frequencies and signal carriage, equal employment opportunity, cumulative leakage index testing and reporting, signal leakage, and subscriber privacy, 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 on the Assets, the Systems or the Business. 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 on the Assets, the Systems or the Business and except as set forth in Schedule 5.10 hereto:

(i) the Franchises have been registered with the FCC;

(ii) all of the annual performance tests on each of the Systems required under the rules and regulations of the

FCC have been performed to 330 MHZ, and the results of such tests demonstrate satisfactory compliance with the applicable requirements being tested in all material respects;

(iii) each of the Systems concurrently meet or exceed the technical standards set forth in the rules and regulations of the FCC, including, without limitation, the leakage limits contained in 47 C.F.R. Section 76.605 (a) (11);

(iv) each of the Systems is 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) to the extent applicable;

(v) each of the Systems is 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, CARS station licenses, business radios and frequencies utilized and carried by the Systems have been obtained; and

(vi) all notices to subscribers of the Systems required by the rules and regulations of the FCC have been provided.

(b) 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 off-air signals by the Systems have been duly filed, and the proper amount of copyright fees have been paid on a timely basis (except as to potential copyright liability arising from the performance, exhibition or carriage of any music on the Systems which applies to or affects the cable television industry generally), and the Systems qualify 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 an adverse effect on the Assets, the Systems or the Business.

(c) The carriage of all television station signals (other than satellite super stations) by the Systems is permitted by valid transmission consent agreements or by must-carry elections by broadcasters.

(d) Seller is in compliance with its obligations with regard to protecting the privacy rights of any past or present customers of the Systems except to the extent that failure to so comply could not (either individually or in the aggregate) reasonably be expected to have an adverse effect on the Assets, the Business or the Systems.

(e) To the best of Seller's knowledge, the Assets are adequate and sufficient for all of the current operations of the Systems except as set forth in this Agreement and as described in the Schedules attached hereto.

(f) Except to the extent that a Governmental Authority regulates rates pursuant to the Rate Regulation Rules, Seller is not aware of any reason that the Seller cannot continue to charge its current programming rates in connection with the Seller's operation of the Systems in compliance with the Cable Act and the Rate Regulation Rules.

(g) To Seller's knowledge, no reduction of rates or refunds to subscribers is required as of the date hereof.

(h) Seller is in compliance with its obligations under 47 C.F.R. Part 17 concerning the construction, marking and lighting of antenna structures used by Seller in connection with the operation of each of the Systems.

SECTION 5.11 SYSTEMS INFORMATION.

(a) As of June 1, 1996, the Systems include not less than 2,800 homes passed by energized cable (i.e., homes (including apartments and commercial units) for which cable service may be provided solely by the installation of a drop line without addition of trunk or feeder cable), and not more than 135 miles of energized cable plant, of which not more than 60 miles are of underground construction. There are no pending rate complaints (as defined pursuant to FCC Legal Requirements) filed by subscribers or other users of the Systems with any Governmental Authority.

(b) Schedule 5.11 sets forth with reasonable accuracy and completeness the following information as of June 30, 1996 with respect to each of the Systems and the Business:

(i) a description of the Systems' physical plant and bandwith capacity;

(ii) coordinates of locations, and System central point coordinates and radius for FCC purposes;

(iii) inventory of plant materials;

(iv) a summary of services, the number of subscribers to each, and the rate charged currently and for the prior three (3) years, a summary of bulk subscribers and revenues, and a calculation, without duplication, of EBU's, including, without limitation, the number of residential and bulk subscribers in each System and revenue thereof in each System;

(v) a listing of communities served, for FCC purposes, by the Systems;

(vi) for each headend, a list of video channels and frequencies used, content, and source

(vii) installation charges;

(viii) a description of Seller's past and current marketing programs and practices, including those which are expected to be continued or implemented prior to the Closing Date;

(ix) Seller's 1994 annual statement of Customer Policies and Required Notices, and Notice of Protection of Subscriber Privacy;

(x) a description of Seller's repair, manufacturing and equipment enhancement activities; and

(xi) a list of free and courtesy connections.

SECTION 5.12 ENVIRONMENTAL.

(a) To Seller's knowledge, none of the Real Property is listed on the National Priorities Lists or the Comprehensive Environmental Response, Compensation, Liability Information System ("CERCLIS"), or is the subject of any "Superfund" evaluation or investigation, or any other investigation or proceeding of any Governmental Authority evaluating whether any remedial action is necessary to respond to any release of Hazardous Substances on or in connection with the Real Property.

(b) To Seller's knowledge, except as described on Schedule 5.12, no surface impoundments or underground storage tanks are located in or on the Real Property. Any such tanks have been duly registered with all appropriate Governmental Authorities in accordance with all applicable Legal Requirements.

(c) To the knowledge of Seller, Seller is in compliance in all material respects with, and holds all permits, licenses and authorizations required under, all Legal Requirements with respect to pollution or protection of the environment, including Legal Requirements relating to actual or threatened emissions, discharges, or releases of Hazardous Substances into the ambient air, surface water, ground water, land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Substances. Seller has received no notice of, and currently Seller does not have knowledge of any past or present condition, circumstance, activity, practice or incident (including without limitation, the presence, use, generation, manufacture, disposal, release or threatened release of any Hazardous Substances from or on the Real Property) that could reasonably be expected to interfere materially with, prevent continued substantial compliance with, or result in any Losses pursuant to any Legal Requirement with respect to pollution or protection of the environment or that is reasonably likely to give rise to any material liability, based upon or related to the processing, distribution, use, treatment, storage, disposal, transport, or handling, or the emission, discharge, release, or threatened release into the environment of any Hazardous Substance on, from or attributable to the Real Property.

(d) For these purposes, the term "Hazardous Substances" includes any substance heretofore or hereafter designated as "hazardous" or "toxic," including, without limitation, petroleum and petroleum related substances, or having characteristics identified as "hazardous" or "toxic" under any Legal Requirement including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 U.S.C. Section 9601 *et seq.*, the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, *et seq.*, the Federal Water Pollution Control Act, 33 U.S.C. Section 1247, *et seq.*, the Clean Air Act, 42 U.S.C. Section 2001, *et seq.*, and the Community Right to Know Act, 42 U.S.C. Section 11001, *et seq.*, all as amended.

SECTION 5.13 FINANCIAL AND OPERATIONAL INFORMATION. Seller has delivered to Buyer correct and complete copies of the Business's audited balance sheet and related statements of operations, income, changes in financial position and statements of income and cash flows for the years ended December 31, 1993, 1994 and 1995, and an unaudited balance sheet and statements of profit and loss and cash flow of the Business for the six months ending June 30, 1996 (the "Business's Financial Statements"). The Business's Financial Statements have been prepared in the ordinary course of business, are based on the books and records of the Seller, were prepared in accordance with GAAP consistently applied and present fairly the financial condition and results of operations of the Business as of the dates and for the periods indicated, with no material differences between such financial statements and the financial records maintained by Seller. Upon the reasonable request of Buyer setting forth a description of the items requested, Seller will make available to Buyer, correct and complete copies of all filings made to Governmental Authorities with respect to the Business.

SECTION 5.14 NO ADVERSE CHANGE; OPERATIONS OF THE BUSINESS. Except for conditions affecting the cable television industry as a whole, (i)) there has been no material adverse change in, and no event has occurred which, so far as reasonably can be foreseen, is likely, individually or in the aggregate to result in any material adverse change in the Assets, the Business, liabilities, financial condition, operations, earnings or business prospects of the Business; (ii) the Assets or the operations of the Business have not been materially and adversely affected as a result of any fire, explosion, accident, casualty, labor trouble, flood, drought, riot, storm, condemnation, act of God, public force or otherwise or any theft, damage, removal of property, destruction or other casualty loss; (iii) Seller has not made any sale, assignment, lease or other transfer of any of the properties relating to the Business other than in the normal and ordinary course of business; (iv) Seller has continued the pricing policies and has conducted the promotional, advertising and other business and operational activities with respect to the Business (including, without limitation, billing, collection, subscriber relations, and construction and joint trenching activities) substantially and materially in the normal and ordinary course of business consistent with past practices and cable television industry practices; (v) there has been no amendment or termination of any License, Franchise or any Contract; (vi) there has been no waiver or release of any material right or claim against any third party relating to the Business; (vi) there has been no material labor dispute or union activity with respect to or by Seller's employees which affects the operation of the Business; and (vii) there has been no agreement by Seller to take any of the actions described in the preceding clauses (i) through (vi), except as contemplated by this Agreement.

SECTION 5.15 TAXPAYER IDENTIFICATION NUMBER. Seller's U.S. Taxpayer Identification Number is as set forth in the introductory paragraph of this Agreement.

SECTION 5.16 INTANGIBLES. Seller neither uses nor holds any copyrights, trademarks, trade names, service marks, service names, logos, licenses, permits or other similar intangible property rights and interests ("Intangibles") in the operations of the Business that does not incorporate the name "Valley Center," or variations thereof. In the operation of the Business, Seller is not aware that it is infringing upon or otherwise acting adversely to the intangible property rights and interests owned by any other Persons, and there is no claim or action pending or, to Seller's knowledge, threatened with respect thereto. Schedule 5.16 contains a true, correct and complete list of all Intangibles which are material to the operation of the Business.

SECTION 5.17 ACCOUNTS RECEIVABLE. The Accounts Receivable have not been assigned to or for the benefit of any Person and are actual and bona fide receivables representing obligations for the total dollar amount thereof shown on the books of Seller, resulting from the ordinary course of Seller's business. The Accounts Receivable are fully collectible in accordance with their terms, subject to no offset or reduction of any nature except for a reserve for uncollectible accounts consistent with the reserve established by Seller in its most recent balance sheet delivered to Buyer in accordance with Section 5.13 and statutory rights of offset which may be asserted against amounts held as deposits.

SECTION 5.18 BONDS. Except as set forth on Schedule 5.18, there are no franchise, construction, fidelity, performance, or other bonds posted by Seller in connection with the Business.

SECTION 5.19 EXCLUSIVITY. Except for nationally distributed satellite services and as set forth on Schedule 5.19, (i) Seller is currently the only Person providing wireline or wireless cable television services or similar video programming or related services within all or part of the geographic areas served by the Systems; (ii) no Person other than Seller has been granted a presently valid franchise or has a pending application for a franchise in the communities or unincorporated areas presently served by the Systems; (iii) Seller has no knowledge of any Person currently intending to apply for such a franchise; (iv) no construction programs have been undertaken, or to Seller's knowledge, are proposed or threatened to be undertaken, by any municipality or other cable television, multichannel multipoint distribution systems or multipoint distribution system provider or operator in any area served by the Systems. Seller is not, nor is an Affiliate of Seller, a party to any agreement restricting the ability of a third party to operate cable television systems in the areas of the Systems.

SECTION 5.20 RIGHTS IN ASSETS. Except as set forth in Schedule 5.20, no Person (including any Governmental Authority) has any right to acquire an interest in any of the Systems or any of the Assets or the Business (including any right of first refusal or similar right), other than rights of condemnation or eminent domain afforded by law (none of which has been exercised and no proceedings therefor have been commenced). Each Person that has such a right of first refusal or similar right arising as a result of the proposed sale of the Business as contemplated hereby has expressly declined to exercise such right and has no further legal or contractual ability to hinder or prevent Seller's performance in accordance with the terms of this Agreement.

SECTION 5.21 TRANSACTIONS WITH AFFILIATES AND EMPLOYEES. Except as set forth in Schedule 5.21, there is no lease, sublease, indebtedness, contract, agreement, understanding, or other arrangement of any kind entered into by Seller with respect to the Business with any employee, Affiliate or Partner of the Seller which will be an Assumed Obligation and Liability.

SECTION 5.22 DISCLAIMER OF WARRANTY. Seller shall not be liable for or bound in any manner by, and Buyer has not relied upon, any express or implied, oral or written information, warranty, guaranty, promise, statement, inducement or representation pertaining to the Business (including projections as to income from and expense of any System, or the uses which can be made of, or the value, prospects or profitability of such System), except as is expressly set forth in this Agreement, in the Schedules attached to this Agreement or in the Business's Financial Statements.

SECTION 5.23 REAL PROPERTY. Schedule 2.1(b) sets forth a list and description of all Leased Real Property, and is true, complete and accurate in all respects. There is no Owned Real Property owned or used by Seller in connection with the Business. Seller is holding, or shall hold at Closing, the leasehold interests to all Leased Real Property, including any Leased Real Property hereafter acquired, in each case free and clear of any Liens, except for Permitted Liens. At the Closing, Seller shall have and shall transfer to Buyer its leasehold interests in and to all Leased Real Property, free and clear of any and all Liens (except for Permitted Liens). There are not pending or, to the best of Seller's knowledge, threatened, any condemnation actions or special assessments or any pending proceedings for changes in the zoning with respect to such Real Property or any part thereof and Seller has not received any notice of the desire of any public authority or other entity to take or use any Real Property or any part thereof. To Seller's knowledge, there is no material defect in any of the structures on the Real Property which would interfere with the current use of such structures or Buyer's ability to utilize such structures in substantially the same manner in which they are currently used by Seller. Each parcel of Real Property has access to all public roads, utilities, and other services necessary for the operation of the relevant System with respect to such parcel and except for the absence of various easements, apartment access agreements and/or commercial service agreements permitting Seller to locate cable on real property owned by third parties which individually or in the aggregate does not and will not have a material adverse effect on any of the Assets, the operation of any System or the financial condition or business of any System, Seller has complied with or otherwise resolved to the satisfaction of the relevant Government Authority, all notices or orders to correct violations of Legal Requirements issued by any Governmental Authority having jurisdiction against or affecting any of the Real Property. All leases and subleases pursuant to which any of the Real Property is occupied or used are set forth on Schedule 2.1(b) and such leases and subleases are valid, subsisting, binding and enforceable in accordance with their respective terms and there are no existing defaults thereunder or events that with notice or lapse of time or both would constitute defaults thereunder. Seller has not nor, to the best of Seller's knowledge, has any other party to any contract, lease or sublease relating to any Leased Real Property given or received notice of termination, and, to the best of Seller's knowledge, subject to the receipt of any Required Consents, the consummation of the transactions contemplated by this Agreement will not result in any such termination. Subject to the receipt of Required Consents, Seller is not nor will it be, as a result of the transactions contemplated by this Agreement, with the giving of notice or the passage of time or both, in breach of any provision of any contract, lease or sublease relating to any Real Property. All easements, rights-of-way and other rights which are necessary for Seller's current use of any Real Property are valid and in full force and effect, and Seller has not received any notice with respect to the termination or breach of any of such easements, rights-of-way or other similar rights.

SECTION 5.24 EQUIPMENT. Schedule 2.1(a) contains a list of all Equipment used or held for use by Seller in the operation of the Business. To the best of Seller's knowledge, except as set forth on Schedule 5.24, all of the tools, test equipment, office equipment and office furniture listed on Schedule 2.1(a) are and will be at Closing in good operating condition and repair (reasonable wear and tear excepted) and fit for the purpose they are being used.

SECTION 5.25 NO OTHER CONSENTS. Seller has obtained and is in material compliance with all consents, approvals, authorizations, waivers, orders, licenses, certificates, permits and franchises from, and has made all filings with, any Governmental Authority and other Persons required for the operation of the Systems and the Business as presently operated, all of which are in full force and effect and enforceable in accordance with their respective terms and comply with all applicable Legal Requirements, except for such failures which do not or could not, individually or in the aggregate, be expected to have a material adverse effect on the Systems or the Business. Except as set forth on Schedule 5.25, no consent, authorization, approval, waiver, order, license, certificate or permit of or from or declaration or filing with any Governmental Authority or other Person is necessary to preclude any cancellation, suspension, termination or reformation of any Contract, other than such consents, authorizations, approvals, waivers, orders, licenses, certificates or permits which do not or could not, individually or in the aggregate, have a material adverse effect on the Systems or the Business.

SECTION 5.26 NO UNDISCLOSED LIABILITIES. Except as and to the extent set forth on Schedule 5.26, Seller does not have any liability or obligation (direct or indirect, absolute, fixed, contingent or otherwise) arising out of the Assets or conduct of the Business which was not reflected or reserved on the Business' Financial Statements, and Seller has not incurred any such liability or obligation since the last day of the last Business'

Financial Statement, other than in the ordinary course of business.

SECTION 5.27 LIABILITIES TO SUBSCRIBERS. There are no obligations or liabilities to subscribers of the Systems except with respect to (i) prepayments or deposits made by such subscribers or customers in the ordinary course of business consistent with past practices as set forth in the Business's Financial Statements or, since the last day of the monthly financial statements of the Business delivered to Buyer and (ii) the obligation to supply services to subscribers in the ordinary course of business in accordance with and pursuant to the terms of the Licenses, Franchises and Contracts.

SECTION 5.28 RESTORATION. No property of any Person has been damaged, destroyed, disturbed or removed in the process of construction or maintenance of the Business, which has not been, or will not be, prior to the Closing, repaired, restored or replaced, or as to which an adequate reserve has not been established by Seller.

SECTION 5.29 CERTAIN PROGRAMMING ARRANGEMENTS AND RELATIONSHIPS. Except as set forth on Schedule 5.29, Seller is not a party to any programming contract with any Person providing for any exclusive arrangement with respect to the provision of programming to Seller or the Systems. Except as set forth on Schedule 5.29, neither Seller nor any of its Affiliates has any affiliation with (other than on a third party basis), equity interest in, profit participation in, contractual right to acquire any such interest or participation, or any other relationship with any Person that provides programming to the Systems. Seller has not entered into any arrangement with any community groups or similar third parties restricting or limiting the types of programming which may be shown on the Systems.

SECTION 5.30 FINDERS; BROKERS AND ADVISORS. Except for the engagement of Waller Capital Corporation, with respect to which Seller shall have sole responsibility for the payment of all amounts owed, Seller has not employed any financial advisory, broker or finder or incurred any liability for any financial advisory, brokerage, finder's or similar fee or commission in connection with the transactions contemplated by its Agreement and Seller is not aware of any claim or basis for any claim for payment of, or any unpaid liability to any Person for any fees or commissions or like payments with respect to the negotiations leading to this Agreement or the consummation of any of the transactions contemplated by this Agreement.

SECTION 5.31 DISCLOSURE. No representation or warranty by Seller contained in this Agreement (including the exhibits and schedules hereto), and no statement contained in any document, certificate or other instrument furnished to Buyer by or on behalf of Seller (excluding drafts of any thereof) pursuant hereto contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary in order to make the statements contained herein or therein not misleading. Except for matters affecting the cable television industry generally, there is no fact known to Seller which could reasonably be expected to materially adversely affect the Business, any of the Systems or the Assets which has not been set forth in this Agreement.

ARTICLE VI
COVENANTS

SECTION 6.1 CERTAIN AFFIRMATIVE COVENANTS OF SELLER REGARDING THE SYSTEMS. Except as Buyer may otherwise consent in writing, between the date of this Agreement and Closing, Seller shall:

(a) (i) operate the Business in the ordinary course of business consistent with Seller's past practices; (ii) perform all of its obligations under all of the Franchises, Licenses, and Contracts without breach or default; (iii) operate the Business in substantial compliance with all applicable Legal Requirements; (iv) continue the pricing, marketing, advertising, promotion and other activities with respect to the Business and each System (including without limitation billing, collection, subscriber, and construction and joint trenching matters) substantially and materially in the normal and ordinary course of business consistent with Seller's past practices; and (v) use its Commercially Reasonable Best Efforts to (A) preserve the current business organization of the Business intact, including preserving existing relationships with Persons having business with the Business, (B) keep available the services of its employees providing services in connection with the Business, and (C) maintain inventories of equipment and supplies at historic levels and consistent with good industry practices;

(b) provide Buyer and its counsel, lenders, accountants, and other representatives access to the Business, the employees of the Business, the Leased Real Property, the other Assets and Seller's books and records relating to the Business during normal business hours, provided that such access shall not unreasonably disrupt the normal business operations of the Business, and provided further, that no investigation by Buyer shall affect or limit the scope of any representations and warranties of Seller herein or otherwise limit liability for any breach of such representations and warranties of Seller;

(c) as soon as practicable after the date of this Agreement, and at its expense, make all filings, and exercise Commercially Reasonable Best Efforts to obtain in writing as promptly as practicable all approvals, authorizations and consents described on Schedule 5.3 and deliver to Buyer copies thereof promptly upon receiving them;

(d) promptly deliver to Buyer copies of any monthly and quarterly financial statements for the Business and other reports with respect to the operation of the Business regularly prepared by Seller at any time from the date hereof until Closing;

(e) promptly inform Buyer in writing of any material adverse change in the condition (financial or otherwise), operations, assets, liabilities, business or prospects of the Business or the Assets, including, without limitation, (a) any damage, destruction, loss (whether or not covered by insurance) or other event materially affecting any of the Assets, the Systems or the Business, (b) any notice of violation, forfeiture or complaint under any Licenses or Franchises, or (c) anything which, if not corrected prior to the Closing Date, will prevent Seller from fulfilling any condition to Closing described herein;

(f) continue to carry and maintain in full force and effect its existing bonds and casualty and liability insurance with respect to the Business through and including the Closing Date;

(g) maintain its books, records and accounts with respect to the Assets and the operation of the Business in the usual, regular and ordinary manner on a basis consistent with past practices and pay, consistent with past practices, all accounts payable and other debts, liabilities and obligations relating to the Business;

(h) maintain the Assets, including the plant and Equipment related thereto, in accordance with past practices and in compliance with the terms of this Agreement, fulfill installation requests in the normal course of business, and make routine capital expenditures in accordance with past practices and good industry practice which are necessary to maintain the normal operations of the Systems and the Business, including, but not limited to, completing ongoing line extensions, placing conduit or cable in new developments, fulfilling installation requests; and continuing work on existing construction projects;

(i) continue to implement its procedures for disconnection and discontinuance of service to System subscribers whose accounts are delinquent in accordance with those in effect on the date of this Agreement;

(j) report and write off Accounts Receivable in accordance with past practices;

(k) withhold and pay when due all Taxes relating to employees of the Business, the Assets, and/or the System;

(l) maintain service quality of the Systems at a level at least consistent with past practices;

(m) file with the FCC all reports required to be filed under applicable FCC rules and regulations, and otherwise comply with all Legal Requirements with respect to the Business; and

(n) effect and facilitate the transition of the operation of the Systems from Seller to Buyer as contemplated by this Agreement.

SECTION 6.2 CERTAIN NEGATIVE COVENANTS OF SELLER. Except as Buyer may otherwise consent in writing, which consent may be withheld at Buyer's sole discretion, or as otherwise contemplated by this Agreement, between the date hereof and Closing, Seller shall not do or cause to be done any of the following:

(a) enter into, modify, terminate, renew, suspend, or abrogate any Franchise, License or material Contract other than in the ordinary course of business, provided that for purposes of this clause (a) a material Contract shall mean a Contract pursuant to which Seller would incur either monetary liabilities which, after the Closing Date, would exceed $5,000 individually or liabilities in the aggregate in excess of $15,000 or a material non-monetary obligation;

(b) enter into, modify, or renew any retransmission consent agreement other than an agreement which contains materially the same terms as such retransmission consent agreement which is indicated on Schedule 2.1(e) contains (after offset of any cost savings to the System if the cost per EBU per month for the carriage of Prime Sports Network pursuant to Section 6.5 hereof shall be less than $1.40), provided that if Buyer does not participate in the negotiations of any new, modified or renewed retransmission agreement or if Buyer does not approve the terms of any such agreement, Buyer has the right to terminate this Agreement by written notice to the Seller. Seller shall not be entitled to recover any damages from the Buyer in connection with a termination pursuant to this Section 6.2(b);

(c) sell, assign, lease or otherwise dispose of any of the Assets, unless such Assets are consumed or disposed of in the ordinary course of business or in conjunction with the acquisition of replacement property of equivalent kind and value, or are no longer used or useful in the business or operation of the Systems;

(d) create, assume, or permit to exist any Lien upon any Asset other than Permitted Liens;

(e) except as provided elsewhere herein (i) change customer rates for Basic Service or charges for remotes or installations, (ii) implement any tiering, re-tiering or repackaging of cable television programming offered by such System or make any other change in the programming services or channel positions (including the addition or deletion of any channels) of such System, or (iii) take any other action that would subject the rates for any tier of service to regulation;

(f) seek amendments or modifications to existing Licenses, Franchises, or Contracts or accept or agree to accede to any modification or amendment to, or any condition to the transfer of, any of the Licenses, Franchises, Contracts or Real Property that may adversely affect Buyer;

(g) enter into any transaction or permit the taking of any action or omit taking any action that would result in any of Seller's representations and warranties contained in this Agreement not being true and correct when made or at Closing;

(h) increase the number of employees in the Business, increase the compensation or change any benefits available to employees of Seller who work in the Business except as required pursuant to the existing written agreements indicated on Schedule 5.7 or as otherwise expressly described on Schedule 5.7; and

(i) except as set forth in Section 6.5(b), not implement any new marketing program, policy or practice, or implement any rate change, retiering or repackaging.

SECTION 6.3 FCC APPROVAL; FORMS 394.

(a) Promptly after the execution of this Agreement, but no later than the twentieth (20th) Business Day after the date hereof, Seller shall, at its sole expense, make application to the FCC for the consent and approval of the FCC to the transfer of the ownership and operation of all FCC Licenses of the Systems from Seller to Buyer.

(b) If not previously submitted, on or prior to the expiration of the fifteenth (15th) Business Day after the date of this Agreement, Seller and Buyer shall, each at its own expense, prepare and file properly prepared Applications for Franchise Authority consent to Assignment or Transfer of Control of Cable Television Franchise FCC 394 ("Forms 394") with the local Governmental Authorities that have issued franchises to Seller, and shall file all additional information required by such franchises or applicable local Legal Requirements or that the Governmental Authorities deem necessary or appropriate in connection with their consideration of the request of Seller or Buyer that such authority approve of the transfer of the Franchises to Buyer.

SECTION 6.4 RELEASE OF CERTAIN LIENS, LITIGATION AND OTHER OBLIGATIONS. Seller shall take all necessary actions, including without limitation the discharging or other satisfaction of related claims and obligations, to cause the termination, release, removal or satisfaction on or prior to the Closing Date, of (i) all designated Permitted Liens listed on <u>Schedule 5.4</u>, and (ii) all other outstanding liabilities and obligations relating to the Business other than subscriber and customer deposits and prepaid subscriber and customer fees, in each case without incurring any obligations on the part of Buyer or otherwise adversely affecting Buyer.

SECTION 6.5 CERTAIN OTHER COVENANTS OF SELLER. Seller shall use Commercially Reasonable Best Efforts to make arrangements for carriage by the Systems of Prime Sports Network which arrangements shall be, at Sellers sole option, either by satellite, or the San Diego County Feed by microwave and cable, in either case at a total cost not to exceed $1.40 per EBU per month for all facilities needed for signal delivery.

SECTION 6.6 EMPLOYEE MATTERS.

(a) Seller shall terminate all of its employees who primarily perform services with respect to the operations of the Systems immediately prior to Closing. Seller shall be responsible for and shall cause to be discharged and satisfied in full all amounts owed to any employee of Seller through the Closing Date, including wages, salaries, accrued vacation, any employment, incentive, compensation or bonus agreements, or other benefits or payments on account of termination, and shall indemnify and hold Buyer harmless from any Losses thereunder. Seller shall retain liability for all workers' compensation claims made by employees of the Business and the Systems filed on or before the Closing Date. Seller shall also retain liability for all workers' compensation claims filed by such employees after the Closing Date to the extent that such claims relate to any compensable injuries incurred prior to the Closing Date.

(b) Buyer shall not assume or have any liability under any agreement with any individual related to such individual's employment in the Business at or prior to the Closing Date or bonus, incentive or other employee benefit plans maintained by Seller, including, without limitation, phantom stock plans, stock incentive plans, opportunity pay plans, long term cash and incentive compensation plans, covering persons employed by or who at any time prior to the Closing Date were employed in the Business. Seller shall take such actions as are necessary to ensure the preservation and delivery of all benefits accrued through the Closing Date, whether payable presently or at some future date, to employees of the Business in respect of any such bonus or incentive plans. Seller shall be responsible for and shall pay all amounts payable to all of its employees in connection with the termination of employment of any such employee on or before the Closing Date in connection with the transactions contemplated hereby, or otherwise, and also shall be responsible for all health insurance, vacation pay and other benefits payable to such employees for all periods prior to and including the Closing Date.

(c) Seller shall be responsible for compliance with the notice and continuation coverage requirements of Section 4980B of the Code that arise with respect to the former employees of Seller and the Affected Employees (as defined in ERISA), on account of the transactions contemplated by this Agreement, if any.

(d) Seller's long term disability plan shall be responsible for payment of any and all covered benefits, payable with respect to employment on or before the Closing Date and for thirty days thereafter, regardless of whether payment is required to be made after the Closing Date, for: (i) any individual who is currently receiving such benefits as of the Closing Date, (ii) any individual who becomes disabled prior to the Closing Date and who remains disabled for the length of any qualifying disability period, and (iii) any individual described in (i) and (ii) above whose disability ceases after the Closing Date and who subsequently becomes disabled prior to the expiration of ninety (90) days of active employment with Buyer, where such subsequent disability is a continuation of such prior disability for which benefits were due under Seller's or the System's welfare plan.

(e) Except as otherwise provided in this Agreement, Seller shall retain, and Buyer shall not assume, any liabilities or obligations of Seller or any of its Affiliates to employees with respect to claims incurred and employment prior to the Closing Date.

(f) Prior to or as of the Closing Date, Seller shall have made arrangements reasonably satisfactory to Buyer for termination of all deferred compensation, pension, 401 (k), or other similar employee benefits plans, which arrangements shall not create any liability or obligation for Buyer after Closing.

(g) Buyer may offer (but is not obligated to offer) employment to any or all of the employees of Seller who primarily perform services with respect to the operations of the Systems as of the Closing Date. Buyer shall recognize the term of service with Seller of any employee of Seller hired by Buyer in determining such employee's vacation benefits under Buyer's vacation plan. Buyer also shall permit any former employee of Seller hired by Buyer to participate in Buyer's group health plan without imposing any waiting periods so long as such employee was covered by Seller's health plan immediately prior to the Closing. To the extent that accrued vacation time is included in the Current Items Amount, Buyer either shall permit any former employee of Seller who is hired by Buyer to take any such accrued vacation at whatever times the employee would have been entitled to take such vacation had the employee not left the employ of Seller, or shall pay such employee for any such accrued vacation time that such employee is not able to take under Buyer's vacation plan. Nothing in this statement of intent shall be construed to create any third party beneficiary rights in favor of any person not a party to this Agreement or to constitute an offer of employment, employment agreement or condition of employment for any of the employees of the Business.

SECTION 6.7 WARN ACT. Seller shall give all notices required to be given under the Federal Workers Adjustment and Retraining Notification Act ("WARN Act") by any party related to or as a result of the transactions contemplated by this Agreement, and shall indemnify and hold Buyer harmless for any liability resulting from the failure of Seller and the Systems to do so. On the Closing Date, Seller shall deliver to Buyer a written description of any "employment loss," as defined in the WARN Act, which occurs at any time within the ninety (90) days prior to the Closing Date. For purposes of the WARN Act and this Section 6.7, "Closing Date" shall mean the "effective date" of the transactions contemplated by this Agreement, as defined in the WARN Act.

SECTION 6.8 EXCLUSIVITY. Between the date of this Agreement and the earlier of the termination of this Agreement in accordance with its terms and the Closing Date, Seller shall not, and shall cause its Partners, officers, directors, employees, agents and representatives (including, without limitation, Waller Capital Corporation, any investment banker, attorney or accountant retained by Seller) not to, initiate, solicit or encourage, directly or indirectly, any inquiries or the making of any proposal with respect to the Business, engage in any negotiations concerning, or provide to any other Person any information or data relating to the Business, any of the Systems, the Assets, or Seller for the purposes of, or have any discussions with any Person relating to, or otherwise cooperate in any way with or assist or participate in, facilitate or encourage, any inquiries or the making of any proposal which constitutes, or may reasonably be expected to lead to, any effort or attempt by any other Person to seek or effect a sale of all or substantially all of the Assets, the Systems or the Business.

SECTION 6.9 TITLE INSURANCE. [Intentionally Omitted].

SECTION 6.10 CONFIDENTIALITY. Any non-public information that either party ("Recipient Party") may obtain from the other ("Disclosing Party") in connection with this Agreement with respect to the Disclosing Party or the Systems shall be confidential and, unless and until Closing shall occur, Recipient Party shall not disclose any such information to any third party (other than its directors, officers, Partners and employees, and representatives of its advisers and lenders whose knowledge thereof is necessary in order to facilitate the consummation of the transactions contemplated hereby) or use such information to the detriment of Disclosing Party; provided that (a) Recipient may use and disclose any such information once it has been publicly disclosed (other than by Recipient Party in breach of its obligations under this Section) or that rightfully has come into the possession of Recipient Party (other than from Disclosing Party), and (b) to the extent that Recipient Party may become compelled by Legal Requirements to disclose any of such information, Recipient Party may disclose such information if it shall have made all reasonable efforts, and shall have afforded Disclosing Party the opportunity, to obtain an appropriate protective order, or other satisfactory assurance of confidential treatment, for the information compelled to be disclosed. If this Agreement is terminated, Recipient Party shall use all reasonable efforts to cause to be delivered to Disclosing Party, and retain no copies of, any documents, work papers and other materials obtained by or on the behalf of Recipient Party from Disclosing Party, whether so obtained before or after the execution hereof. The rights and obligations of Buyer and Seller under this Section shall survive Closing or the termination of this Agreement. Notwithstanding the foregoing, the following will not constitute a part of the information for the purposes of this Section:

(i) information that a party can show was known by the Recipient Party prior to the disclosure thereof by the Disclosing Party;

(ii) information that is or becomes generally available to the public other than as a result of a disclosure directly or indirectly by the Recipient Party in breach of this Section 6.10;

(iii) information that is independently developed by the Recipient Party; or

(iv) information that is or becomes available to the Recipient Party on a non-confidential basis from a source other than the Disclosing Party, provided that such source is not known by the Recipient Party to be bound by any obligation or confidentiality in relation thereto.

SECTION 6.11 SUPPLEMENTS TO SCHEDULES. Each of Seller and Buyer shall, from time to time prior to Closing, supplement the Schedules to this Agreement with additional information that, if existing or known to it on the date of this Agreement, would have been required to be included in such Schedules. For purposes of determining the satisfaction of any of the conditions to the obligations of Buyer and Seller in Sections 7.1 and 7.2 and the liability of Seller or of Buyer following Closing for breaches of its representations and warranties under this Agreement, the Schedules to this Agreement shall be deemed to include only (a) the information contained therein on the date of this Agreement and (b) information added to the Schedules by written supplements to such Schedules delivered prior to Closing by the party making such amendment that (i) are accepted in writing by the other party or (ii) reflect actions expressly permitted by this Agreement to be taken prior to Closing. Notwithstanding any information contained in the Schedules, all liabilities and obligations arising out of or relating to the operation of the Systems prior to the Closing Date shall be the responsibility of the Seller.

SECTION 6.12 NOTIFICATION OF CERTAIN MATTERS. Each party will promptly notify the other party in writing of any fact, event, circumstance, action or omission (i) that, if known at the date of this Agreement, would have been required to be disclosed in or pursuant to this Agreement, or (ii) the existence or occurrence of which would cause any of such party's representations or warranties under this Agreement not to be true in any material respect, and with respect to clause (ii) the party responsible thereof or pursuant to this Agreement shall use commercially reasonable best efforts to remedy the same.

SECTION 6.13 COMMERCIALLY REASONABLE BEST EFFORTS. Each party shall use Commercially Reasonable Best Efforts to take all steps within its power, and will cooperate with the other party, to cause to be fulfilled those of the conditions to the other party's obligations to consummate the transactions contemplated by this Agreement that are dependent upon its actions, and to execute and deliver such instruments and take such other commercially reasonable best actions as may be necessary to carry out the intent of this Agreement and consummate the transactions contemplated hereby.

SECTION 6.14 CLOSING DATE FINANCIAL STATEMENTS. Seller shall promptly deliver to Buyer after Closing a true and complete copy of the unaudited balance sheet for the Business as of the Closing Date and the unaudited statements of profit and loss and cash flow of the Business for the period then ended, in each case the report format shall be that in which the Business's Financial Statements are presented. Not later than ninety (90) days after December 31, 1996, Seller shall deliver to Buyer an audited balance sheet and statements of income and cash flow of the Business for the period commencing January 1, 1996 and ending on the Closing Date.

SECTION 6.15 CUSTOMER NOTIFICATION. As soon as reasonably practicable after execution of this Agreement and in accordance with Section 12.9, the parties shall jointly announce to the general public the transactions contemplated hereby. All reasonable additional costs and expenses actually incurred and related to mail notification of subscribers shall be borne and paid by Seller. Other means of notifying subscribers may be employed by either party, at the expense of the initiating party, but in no event shall any notification be initiated without the prior consent of the other party (which consent shall not be unreasonably withheld).

SECTION 6.16 CONSENTS.

(a) Seller will use Commercially Reasonable Best Efforts to obtain, at its own cost and expense as soon as practicable, the Required Consents, in form and substance reasonably satisfactory to Buyer. Seller and Buyer will use Commercially Reasonable Best Efforts to obtain, as soon as practicable, the Consents of Governmental Authorities; provided, that Commercially Reasonable Best Efforts for this purpose shall not require Buyer to agree to any change in any Contract or as a condition to obtaining any Consent, the effect of which is to make such Contract more burdensome to Buyer.

(b) Following the Closing, Buyer will deliver promptly to the Governmental Authorities for those Governmental Permits transferred at Closing all bonds, letters of credit, indemnity agreements, or certificates of deposit required by such Governmental Authorities and will use its Commercially Reasonable Best Efforts to cooperate with Seller to obtain a release by such Governmental Authorities of Seller's bonds, letters of credit, indemnity agreements, and certificates of deposit.

SECTION 6.17 RISK OF LOSS; CONDEMNATION.

(a) Seller will bear the risk of any loss or damage to the Assets resulting from fire, theft or other casualty at all times prior to the Closing. If any such loss or damage is so substantial as to prevent normal operation of any portion of the Systems within five days after the occurrence of the event resulting in such loss or damage, Seller shall immediately notify Buyer of that fact and Buyer, at any time within ten days after receipt of such notice, may elect by written notice to Seller either (i) to waive such defect and proceed toward consummation of the acquisition of the Assets in accordance with this Agreement or (ii) to terminate this Agreement. If Buyer elects to consummate the acquisition of the Assets notwithstanding such loss or damage and does so, at Buyer's election (i) there will be an adjustment in the aggregate consideration to be paid for the Assets under Article II on account of such loss or damage and Seller shall be entitled to all insurance proceeds paid as a result of such loss or damage or (ii) all insurance proceeds paid or payable as a result of the occurrence of the event causing such loss or damage will be delivered by Seller to Buyer at the Closing or the rights to such proceeds will be assigned by Seller to Buyer at the Closing if not yet paid over to Seller.

(b) If, prior to Closing, any portion of the System is taken or condemned as a result of the exercise of the power of eminent domain, or if a Governmental Authority having such power informs Seller or Buyer that it intends to condemn any portion of any System (such event being referred to herein, in either case, as a "Taking"), then Buyer may terminate this Agreement. If Buyer does not so elect to terminate this Agreement then (i) if the Closing occurs, Buyer shall have the sole right, in the name of Seller, if Buyer so elects, to negotiate for, claim, contest and (if the Closing occurs) receive all damages with respect to the Taking, (ii) Seller shall be relieved of its obligation to convey to Buyer the Asset or interests that are the subject of the Taking and (iii) at the Closing Seller shall assign to Buyer all of Seller's rights (including the right to receive payment of damages) with respect to such Taking and shall pay to Buyer all damages previously paid to Seller with respect to the Taking.

SECTION 6.18 [INTENTIONALLY OMITTED].

SECTION 6.19 UCC SEARCHES. Seller shall reimburse Buyer, no later than ten (10) Business Days following receipt of the invoice therefor from Buyer, for the actual costs (other than attorney review in connection therewith) incurred by Buyer in obtaining Uniform Commercial Code lien, judgment and tax searches on the

Assets, the Seller and the general partner of Seller prior to Closing and a bringdown certificate with respect thereto as of the Closing Date.

ARTICLE VII
CONDITIONS PRECEDENT

SECTION 7.1 CONDITIONS TO BUYER'S OBLIGATIONS. The obligations of Buyer to consummate the transactions contemplated by this Agreement shall be subject to the following conditions, any one or more of which may be waived by Buyer, in its sole discretion.

(a) Accuracy of Representations and Warranties. The representations and warranties of Seller in this Agreement shall be true and accurate in all material respects at and as of Closing with the same effect as if made at and as of Closing, except for changes contemplated under this Agreement and except for representations and warranties made only at and as of a certain date.

(b) Performance of Agreements. Seller shall have performed all obligations and agreements and complied with all covenants in this Agreement to be performed and complied with by it at or before Closing, and no event which would constitute a breach of the terms of this Agreement on the part of Seller shall have occurred or be continuing. Notwithstanding the generality of the preceding sentence, Seller shall have strictly performed its obligations and agreements and strictly complied with its covenants set forth in Section 6.5.

(c) Officer's Certificate. Buyer shall have received a certificate executed by an executive officer of the general partner of Seller, dated as of Closing, reasonably satisfactory in form and substance to Buyer, certifying that the conditions specified in Sections 7.1(a) and (b) have been satisfied.

(d) Legal Proceedings. There shall be no Legal Requirement, and no Judgment shall have been entered and not vacated by any Governmental Authority of competent jurisdiction in any Litigation relating to any Legal Requirement, that enjoins, restrains, makes illegal, or prohibits consummation of the transactions contemplated by this Agreement, and there shall be no Litigation pending or threatened that seeks or that, if successful, would have the effect of any of the foregoing.

(e) Opinion of Seller's Counsel. Buyer shall have received an opinion of Krys Boyle Freedman & Scott, P.C., counsel to Seller, dated as of Closing, substantially in the form of Exhibit 7.1(e).

(f) Opinion of Seller's FCC Counsel. Buyer shall have received an opinion of Cole, Raywid & Braverman, special communications counsel to Seller, dated as of Closing, substantially in the form of Exhibit 7.1(f).

(g) Consents. Buyer shall have received evidence, in form and substance reasonably satisfactory to it, that all consents, approvals and authorizations identified on Schedule 5.3 as Required Consents have been obtained and remain in full force and effect; provided, however, that to the extent such Required Consents relate to consents by the FCC to assignments of Licenses, this condition shall be deemed met if such consents to assignment have been requested prior to Closing and Buyer is entitled to operate the Systems under such Licenses pursuant to conditional use authorizations from the FCC until the FCC's consent is received.

(h) Noncompetition Agreement. Seller, R. Michael Kruger, Jerry Schwartz and Kathy Marie Schwartz shall each have delivered to Buyer the Noncompetition Agreement duly executed by Seller, R. Michael Kruger, Jerry Schwartz and Kathy Marie Schwartz, respectively.

(i) Liens, Litigation and Other Obligations. Seller shall have delivered evidence satisfactory to Buyer that all Liens, Litigation and other obligations or liabilities of the Systems that are to be terminated, released, removed, satisfied or waived prior to or as of the Closing Date under Section 6.4 have been so terminated, released, removed, satisfied or waived, or will be terminated, released, removed, satisfied or waived simultaneously with the Closing.

(j) No Material Adverse Change. There shall not have been any material adverse change in the Assets, liabilities, financial condition, earnings or business prospects of the Systems or the Business, other than any change due to an event (other than an event described in the following proviso) that affects the cable television industry in general; provided, however, that for purposes of this Agreement, the actual regulation by any Governmental Authority of rates, charges or fees charged to the subscribers of any System shall be deemed to be a material adverse change in the financial condition and business prospects of such System.

(k) Systems. The Systems shall include not less than 2,800 homes passed by energized cable (i.e., homes (including apartments and commercial units) for which cable service may be provided solely by the installation of a drop line without addition of trunk or feeder cable or electronic components), and not more than 135 miles of energized cable plant, of which not more than 60 miles are of underground construction.

(l) Transfer Documents. Seller shall have delivered to Buyer customary bills of sale, general warranty deeds, assignments and other instruments of transfer sufficient to convey good and marketable title to the Assets in accordance with the terms of this Agreement and otherwise in form and substance reasonably satisfactory to Buyer and its counsel.

(m) Other Documents. All other documents and certificates and other items required to be delivered under this Agreement by Seller to Buyer at or prior to Closing shall have been delivered or shall be tendered at the Closing.

(n) Material Adverse Change. The financial institutions providing financing to Buyer to consummate the transactions contemplated by this Agreement shall not have exercised the Material Adverse Change clause under the financing commitment letters provided to Buyer.

(o) No franchising authority, other than San Diego County, shall have certified with the FCC to regulate the Systems under the Cable Act or the 1992 Telecommunications Act.

(p) The franchising authority for San Diego County shall not have obtained the consent of the FCC to regulate the Systems under the Cable Act or the 1992 Telecommunications Act.

(q) Seller shall have made arrangements for carriage by the Systems of Prime Sports Network either by satellite or the San Diego County feed by microwave and cable, in either case at a total cost not to exceed $1.40 per EBU per month for all facilities needed for signal delivery.

SECTION 7.2 CONDITIONS TO SELLER'S OBLIGATIONS. The obligations of Seller to consummate the transactions contemplated by this Agreement shall be subject to the following conditions, any one or more of which may be waived by Seller, in its sole discretion:

(a) Accuracy of Representations. The representations and warranties of Buyer in this Agreement shall be true and accurate in all material respects at and as of Closing with the same effect as if made at and as of Closing except for changes contemplated under this Agreement and except for representations and warranties made only at and as of a certain date.

(b) *Performance of Agreements.* Buyer shall have performed in all material respects all obligations and agreements and complied in all material respects with all covenants in this Agreement to be performed and complied with by it at or before Closing, and no event that would constitute a material breach of the terms of this Agreement on the part of Buyer shall have occurred or be continuing.

(c) *Officer's Certificate.* Seller shall have received a certificate executed by an executive officer of Buyer, dated as of Closing, reasonably satisfactory in form and substance to Seller, certifying that the conditions specified in Sections 7.2(a) and (b) have been satisfied.

(d) *Legal Proceedings.* There shall be no Legal Requirement, and no Judgment shall have been entered and not vacated by any Governmental Authority of competent jurisdiction in any Litigation relating to any Legal Requirement, that enjoins, restrains, makes illegal, or prohibits consummation of the transactions contemplated hereby, and there shall be no Litigation pending or threatened that seeks or that, if successful, would have the effect of any of the foregoing.

(e) *Opinion of Buyer's Counsel.* Seller shall have received an opinion of Cooperman Levitt Winikoff Lester & Newman, P.C., general counsel to Buyer, dated as of Closing, substantially in the form of *Exhibit 7.2(e)*.

(f) *Other Documents.* All other documents certificates, and other items required to be delivered under this Agreement by Buyer to Seller at or prior to Closing shall have been delivered or shall be tendered at the Closing.

ARTICLE VIII
CLOSING

SECTION 8.1 CLOSING; TIME AND PLACE.

(a) Subject to the terms and conditions of this Agreement, the closing of the transactions contemplated by this Agreement ("the Closing") shall be held at the offices of Cooperman Levitt Winikoff Lester & Newman, P.C., 800 Third Avenue, 30th Floor, New York, New York 10022, at 10:00 a.m., local time, on November 30, 1996, or at such earlier or later date as may be agreed upon by Seller and Buyer (the "Closing Date"). Seller and Buyer shall, without modifying or expanding their obligations hereunder, exercise their diligent, good faith efforts to cause the Closing to occur as quickly as reasonably possible.

(b) If at any time prior to the scheduled Closing Date, all of the conditions contained in Article VII have been met or waived, Buyer may give notice to Seller of the Closing. Such notice shall state a date and time, not less than ten Business Days from the date of such notice, for Closing to occur.

(c) If on November 30, 1996, all of the conditions contained in Article VII have not been met or waived, then the Closing shall be deferred until all such conditions have been met or waived but not to a date later that December 31, 1996. Upon the last of the conditions being so met or waived, Seller or Buyer may give notice to the other of the Closing, which notice shall state a date and time, not less than ten Business Days from the date of such notice, for the Closing to occur.

SECTION 8.2 SELLER'S OBLIGATIONS. At Closing, Seller shall deliver or cause to be delivered to Buyer the following:

(a) Bill of Sale. Executed counterparts of a Bill of Sale and Assignment and Assumption Agreement relating to the Assets in the form of Exhibit 8.2(a) (the "Bill of Sale");

(b) Officer's Certificate. The certificate described in Section 7.1(c);

(c) Evidence of Authorizing Actions. Evidence reasonably satisfactory to Buyer that Seller has taken all action necessary to authorize the execution of this Agreement and the consummation of the transactions contemplated hereby;

(d) Opinion of Seller's Counsel. The opinion described in Section 7.1(e);

(e) Opinion of Seller's FCC Counsel. The opinion described in Section 7.1(f);

(f) Vehicle Titles. Title certificates to all vehicles that constitute Assets, endorsed for transfer of title to Buyer, and any separate bills of sale and other vehicle title transfer documentation required by the laws of the State of Arizona or such county or other state in which such vehicles are titled;

(g) Documents and Records. All (i) existing blueprints, schematics, working drawings, plans, specifications, projections, statistics, engineering records, original plant records, construction, and as-built maps relating to the Systems, (ii) customer lists, files and records used by the Seller in connection with the operation of the Systems, including lists of all pending subscriber hook-ups, disconnects and all repair orders, supply orders and any other records pertinent to the operation of the Systems, and (iii) personnel files and records relating to the employees of the Systems who have accepted Buyer's offer of employment after the Closing Date. Delivery of the foregoing shall be deemed made to the extent such lists, files, and records are located as of the Closing Date at any of the offices included in the Owned Real Property or the Leased Real Property;

(h) Noncompetition Agreements. The Noncompetition Agreements, duly executed by each of Seller, R. Michael Kruger, Jerry Schwartz and Kathy Marie Schwartz;

(i) Incumbency. An incumbency certificate of Seller and the general partner of Seller evidencing the authority of the entitles and individuals who are signatories to this Agreement and each other Transaction Documents to which Seller it is a party; and

(j) Other. Such other documents and instruments, including, but not limited to, such documents or instruments evidencing satisfaction of the conditions set forth in Section 7.1(i) hereof, as shall be necessary to effect the intent of this Agreement and consummate the transactions contemplated hereby.

SECTION 8.3 BUYER'S OBLIGATIONS. At Closing, Buyer shall deliver or cause to be delivered to Seller the following:

(a) Purchase Price and Current Items Amount. The Purchase Price plus or minus the Current Items Amount, the Subscriber Adjustment and Escrow, as determined in accordance with the provisions of Section 2.7(a);

(b) Bill of Sale. Executed counterparts of the Bill of Sale in the form of Exhibit 8.2(a);

(c) Officer's Certificate. The certificate described in Section 7.2(c);

(d) Evidence of Authorizations. Evidence reasonably satisfactory to Seller that Buyer has taken all action necessary to authorize the execution of this Agreement and the consummation of the transactions contemplated hereby;

(e) Incumbency. An incumbency certificate of Buyer evidencing the authority of the entities and individuals who are signatories to this Agreement and each other Transaction Documents to which Buyer is a party;

(f) Opinion of Buyer's Counsel. The opinion described in Section 7.2(e); and

(g) Other. Such other documents and instruments as shall be necessary to effect the intent of this Agreement and consummate the transactions contemplated hereby.

ARTICLE IX
TERMINATION

SECTION 9.1 TERMINATION EVENTS. This Agreement may be terminated and the transactions contemplated hereby may be abandoned as follows:

(a) At any time, by the mutual agreement of Buyer and Seller;

(b) By either Buyer or Seller upon written notice to the other, if the other is in material breach or default of its respective covenants, agreements, or other obligations herein, or if any of its representations herein are not true and accurate in all material respects when made or when otherwise required by this Agreement to be true and accurate, and such breach, default or failure is not cured by the earlier of (i) thirty (30) days of receipt of notice that such breach, default or failure exists or has occurred, or (ii) December 31, 1996;

(c) By either Buyer or Seller upon written notice to the other, if any conditions to its obligations set forth in Sections 7.1 and 7.2, respectively, shall not have been satisfied on or before the Closing Date for any reason other than a breach or default by such party of its respective covenants, agreements, or other obligations hereunder, or any of its representations herein not being true and accurate when made or when otherwise required by this Agreement to be true and accurate; or

(d) As otherwise provided herein.

SECTION 9.2 EFFECT OF TERMINATION. If this Agreement shall be terminated pursuant to Section 9.1, all obligations of the parties hereunder shall terminate, except for the obligations set forth in Sections 6.10, 10.1, 10.2, 12.1, and 12.8. Termination of this Agreement pursuant to Section 9.1(b) shall not limit or impair any remedies that Buyer or Seller may have with respect to a breach or default by the other of its covenants, agreements or obligations hereunder.

SECTION 9.3 FINANCING CONTINGENCY. Buyer shall have the right to terminate this Agreement without any monetary penalty to

Buyer (other than the forfeiture by Buyer of the Earnest Money Payment paid to Seller pursuant to Section 2.4(b) hereof) upon the occurrence of either of the following events: (a) Buyer shall provide written notice to Seller on or before the later of forty-five (45) Business Days from the date hereof or September 15, 1996 that Buyer is not able to obtain sufficient financing to consummate the purchase and sale contemplated by this Agreement, or (b) Buyer shall provide written notice to Seller at any time before the Closing Date that Buyer has received written notification from its senior lender for this transaction that there has been a material adverse change in either the Systems or the cable television business generally that is sufficient to cause such lender to refuse to finance Buyer's purchase of the Systems from Seller (in which event a copy of such written notification from Buyer's lender shall accompany Buyer's written notification to Seller).

ARTICLE X
REMEDIES

SECTION 10.1 DEFAULT BY BUYER. If Buyer shall default in the performance of its obligations under this Agreement in any material respect or if, as a result of Buyer's breach of its obligations pursuant to this Agreement, the conditions precedent to Seller's obligation to close specified in Section 7.2 are not satisfied, and Seller shall not then be in default in the performance of its obligations hereunder in any material respect, Seller shall be entitled, as its sole remedy, to terminate this Agreement by written notice to Buyer and to recover its actual out-of-pocket costs and expenses (including reasonable attorneys and other professional fees) incurred in connection with the execution of this Agreement and the satisfaction of its obligations hereunder, but not including consequential, punitive or exemplary damages, or any other damages. Seller agrees that such damages shall not exceed the amount of the Escrow Amount.

SECTION 10.2 DEFAULT BY SELLER. If Seller shall default in the performance of its obligations under this Agreement in any material respect or if, as a result of Seller's breach of its obligations pursuant to this Agreement, the conditions precedent to Buyer's obligation to close specified in Section 7.1 are not satisfied, and Buyer shall not then be in default in the performance of its obligations hereunder in any material respect, Buyer shall be entitled, at Buyer's sole option, either:

(a) to require Seller to consummate and specifically perform the sale in accordance with the terms of this Agreement, if necessary through injunction or other court order or process, and to recover any damages, costs and expenses incurred by Buyer in connection therewith; or

(b) to terminate this Agreement by written notice to Seller, and to recover its out-of-pocket costs and expenses (including reasonable attorneys and other professional fees) in connection with the execution of this Agreement and the satisfaction of its obligations hereunder, but not including consequential, punitive or exemplary damages, or any other damages.

ARTICLE XI
INDEMNIFICATION

SECTION 11.1 INDEMNIFICATION BY SELLER. From and after Closing, Seller shall indemnity and hold harmless Buyer from and against any and all Losses arising out of or resulting from the following:

(a) Any representations and warranties made by Seller in this Agreement not being true and accurate when made or when required by this Agreement to be true and accurate, except for Losses that relate to any circumstance, act or omission constituting a breach of any representation or warranty by Seller or failure by Seller to comply with any of its covenants, agreements or obligations hereunder of which Buyer has received notice and which Buyer has waived in writing;

(b) Any breach or default by Seller in the performance of its covenants, agreements, or obligations under this Agreement;

(c) Any liabilities relating to employees of Seller or any Partner working for the Systems asserted under any Legal Requirement or otherwise pertaining to any labor or employment matter arising out of conditions existing or actions or events occurring prior to the Closing Date;

(d) Any liabilities and obligations arising out of or relating to the operation of the Systems prior to the Closing Date, including, without limitation, the Retained Liabilities and Obligations;

(e) Any claims made by creditors with respect to noncompliance with any bulk sales law relating to this Agreement and the transactions contemplated hereby; and

(f) Any and all actions, suits, proceedings, claims, demands, assessments, judgments, costs and expenses, including without limitation, legal fees and expenses, incident to any of the foregoing or incurred in investigating or attempt to avoid the same or to oppose the imposition thereof, or in enforcing this indemnity.

SECTION 11.2 INDEMNIFICATION BY BUYER. From and after Closing, Buyer shall indemnify and hold harmless Seller and each Partner from and against any and all Losses arising out of or resulting from the following:

(a) Any representations and warranties made by Buyer in this Agreement not being true and accurate when made or when required by this Agreement to be true and accurate, except for Losses that relate to any circumstance, act or omission constituting a breach of any representation or warranty by Buyer or failure by Buyer to comply with any of its covenants, agreements or obligations hereunder of which Seller has received notice and which Seller has waived in writing;

(b) Any breach or default by Buyer in the performance of its covenants, agreements, or obligations under this Agreement;

(c) Any of the Assumed Obligations and Liabilities;

(d) Any liabilities relating to employees of Seller hired by Buyer pursuant to Section 6.6 arising after the Closing Date asserted under any federal, state or local law or regulation or otherwise pertaining to any labor or employment matter arising out of conditions existing or actions or events occurring subsequent to the Closing Date;

(e) Any liabilities and obligations arising out of or relating to the operation of the Systems subsequent to the Closing Date; and

(f) Any and all actions, suits, proceedings, claims, demands, assessments, judgments, costs and expenses, including without limitation, legal fees and expenses, incident to any of the foregoing or incurred in investigating or attempt to avoid the same or to oppose the imposition thereof, or in enforcing this indemnity.

SECTION 11.3 INDEMNIFIED THIRD PARTY CLAIM.

(a) If any Person not a party to this Agreement shall make any demand or claim or file or threaten to file or continue any Litigation with respect to which Buyer or Seller is entitled to indemnification pursuant to Sections 11.1 or 11.2, respectively, then within ten (10) days after notice (the "Notice") by the party entitled to such indemnification (the "Indemnitee") to the other (the "Indemnitor") of such demand, claim or Litigation, the Indemnitor shall have the option, at its sole cost and expense, to retain counsel for the Indemnitee (which counsel shall be reasonably satisfactory to the Indemnitee), to defend any such

Litigation. Thereafter, the Indemnitee shall be permitted to participate in such defense at its own expense, provided that, if the named parties to any such Litigation (including any impleaded parties) include both the Indemnitor and the Indemnitee or, if the Indemnitor proposes that the same counsel represent both the Indemnitee and the Indemnitor and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them, then the Indemnitee shall have the right to retain its own counsel at the cost and expense of the Indemnitor, unless the Indemnitor shall acknowledge in writing its indemnity obligation, in which event the retention by Indemnitee of its own counsel shall be at its cost and expense. If the Indemnitor shall fail to respond within ten (10) days after receipt of the Notice, the Indemnitee may retain counsel and conduct the defense of such Litigation as it may in its sole discretion deem proper, at the sole cost and expense of the Indemnitor.

(b) The Indemnitee shall provide reasonable assistance to the Indemnitor and provide access to its books, records and personnel as the Indemnitor reasonably requests in connection will the investigation or defense of the indemnified Losses. The Indemnitor shall promptly upon receipt of reasonable supporting documentation reimburse the Indemnitee for out-of-pocket costs and expenses incurred by the latter in providing the requested assistance.

(c) In the event that Indemnitor desires to compromise or settle any such claim, Indemnitee shall have the right to consent to such settlement or compromise; provided, however, that if such compromise or settlement is for money damages only and will include a full release and discharge of Indemnitee, and Indemnitee withholds its consent to such compromise or settlement, Indemnitor and Indemnitee agree that (1) Indemnitor's liability shall be limited to the amount of the proposed settlement and Indemnitor shall thereupon be relieved of any further liability with respect to such claim, and (2) from and after such date, Indemnitee will undertake all legal costs and expenses in connection with such claim and shall indemnify Indemnitor from any further liability or obligation to such third party in connection with such claim in excess of the amount of the proposed settlement. If Indemnitor fails to defend any claim within a reasonable time, Indemnitee shall be entitled to assume the defense thereof, and Indemnitor shall be liable to Indemnitee for its expenses reasonably incurred, including attorney's fees and payment of any settlement amount or judgment.

Section 11.4 DETERMINATION OF INDEMNIFICATION AMOUNTS AND RELATED MATTERS.

(a) In calculating amounts payable to an Indemnitee hereunder, the amount of the indemnified losses shall be reduced by the amount of any insurance proceeds paid to the Indemnitee for such Losses.

(b) Subject to the provisions of Section 11.3, all amounts payable by the Indemnitor to the Indemnitee in respect of any Losses under Sections 11.1 or 11.2 shall be payable by the Indemnitor as incurred by the Indemnitee.

(c) The provisions of Sections 11.3 and 11.4 shall be applicable to any claim for indemnification made under any other provision of this Agreement and all references in Sections 11.3 and 11.4 to Sections 11.1 and 11.2 shall be deemed to be references to such other provisions of this Agreement.

SECTION 11.5 TIME AND MANNER OF CERTAIN CLAIMS. Except as otherwise provided herein, the representations, warranties and covenants of Buyer and Seller in this Agreement shall survive Closing for a period of twelve (12) months except for representations, warranties and covenants (i) relating to title, ownership, employee benefit matters, Copyright Act matters and Taxes, which shall survive until the expiration of the applicable statute of limitations and (ii) relating to environmental matters, which shall survive until the third anniversary of the Closing Date, and Buyer's and Seller's rights to make claims dated thereafter shall likewise expire and be extinguished on such dates. Neither Seller nor Buyer shall have any liability under Sections 11.1(a) or 11.2(a), respectively, unless a claim for Losses for which indemnification is sought thereunder is asserted by the party seeking indemnification by written notice to the party from whom indemnification is sought within the applicable survival period.

ARTICLE XII
MISCELLANEOUS

SECTION 12.1 EXPENSES. Except as otherwise expressly provided in this Agreement, each of the parties shall pay its own expenses and the fees and expenses of its counsel, accountants, and other experts in connection with this Agreement.

SECTION 12.2 WAIVERS. No action taken pursuant to this Agreement, including any investigation by or on behalf of any party hereto, shall be deemed to constitute a waiver by the party taking the action of compliance with any representation, warranty, covenant or agreement contained herein or in any document delivered pursuant hereto. The waiver by any party hereto of any condition or of a breach of another provision of this Agreement shall not operate or be construed as a waiver of any other condition or subsequent breach. The waiver by any party of any of the conditions precedent to its obligations under this Agreement shall not preclude it from seeking redress for breach of this Agreement other than with respect to the condition so waived.

SECTION 12.3 NOTICES. All notices, requests, demands, applications, services of process, and other communications which are required to be or may be given under this Agreement shall be in writing and shall be deemed to have been duly given if sent by facsimile transmission, delivered by overnight or other courier service, or mailed, certified first class mail, postage prepaid, return receipt requested, to the parties hereto at the following addresses:

To Seller: Valley Center Cablesystems, L.P.
c/o Western Cablesystems III, Inc.
513 Wilcox Street, Suite 230
Castle Rock, Colorado 80104
Attn: R. Michael Kruger, President
Telecopy: (203) 688-5001]

Copies (which shall not constitute notice) to:

Krys Boyle Freedman
& Scott, P.C.
Dominion Plaza, Suite 2700 South
600 Seventeenth Street
Denver, Colorado 80202-5427
Attn: Stanley F. Freedman, Esq.
Telecopy: (303) 893-2882

To Buyer: Mediacom California LLC
90 Crystal Run Road, Suite 406-A
Middletown, New York 10940
Attn: Rocco B. Commisso, Manager
Telecopy: (914) 692-9099

Copies (which shall not constitute notice) to:

Cooperman Levitt Winikoff
Lester & Newman, P.C.
800 Third Avenue, 30th Floor
New York, New York 10010
Attn: Robert L. Winikoff, Esq.
Telecopy: (212) 755-2839

or to such other address as any party shall have furnished to the other by notice given in accordance with this Section. Such notice shall be effective, (i) if delivered by courier service or by facsimile transmission, upon actual receipt by the intended recipient, or (ii) if mailed, upon the earlier of five (5) days after deposit with the U. S. Postal Service or the date of delivery as shown on the return receipt therefor.

SECTION 12.4 ENTIRE AGREEMENT; AMENDMENTS. This Agreement embodies the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral or written, with respect thereto. This Agreement may not be modified orally, but only by an agreement in writing signed by the party or parties against whom any waiver, change, amendment, modification, or discharge may be sought to be enforced.

SECTION 12.5 BINDING EFFECT; BENEFITS. This Agreement shall inure to the benefit of and will be binding upon the parties hereto and their respective heirs, legal representatives, successors, and permitted assigns. Neither Buyer nor Seller shall assign this Agreement or delegate any of its duties hereunder to any other Person without the prior written consent of the other, provided, that Buyer may assign this Agreement to any Affiliate of Buyer without the prior written consent of Seller. Nothing in this Agreement, express or implied, is intended to confer upon any person other than the parties hereto and their respective successors and permitted assigns, any rights, remedies or obligations under or by reason of this Agreement.

SECTION 12.6 HEADINGS, SCHEDULES, AND EXHIBITS. The section and other headings contained in this Agreement are for reference purposes only and will not affect the meaning or interpretation of this Agreement. Reference to schedules and exhibits shall, unless otherwise indicated, refer to the schedules or exhibits attached to this Agreement, which shall be incorporated in and constitute a part of this Agreement by such reference.

SECTION 12.7 COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which, when executed, shall be deemed to be an original and all of which together will be deemed to be one and the same instrument.

SECTION 12.8 PUBLICITY. Seller and Buyer shall consult with and cooperate with the other with respect to the content and timing of all press releases and other public announcements, and any oral or written statements to Seller's employees concerning this Agreement and the transactions contemplated hereby. Neither Seller nor Buyer shall make any such release, announcement, or statements without the prior written consent of the other, which shall not be unreasonably withheld or delayed; provided, however, that Seller or Buyer may at any time make any announcement required by Legal Requirements so long as such party, promptly upon learning of such requirement, notifies the other of such requirement and consults with the other in good faith with respect to the wording of such announcement.

SECTION 12.9 GOVERNING LAW. The validity, performance, and enforcement of this Agreement and all transaction documents, unless expressly provided to the contrary, shall be governed by the laws of the State of California without giving effect to the principles of conflicts of law of such state. Each party hereby submits to the jurisdiction of the appropriate courts of the State of California and agrees to be served with legal process from any of such courts. Each party hereby irrevocably waives, to the fullest extent permitted by law, any objection that it may have, whether now or in the future, to the laying of venue in, or to the jurisdiction of, any and each of such courts for the purpose of any such suit, action, proceeding or judgment and further waives any claim that any such suit, action, proceeding or judgment has been brought in an inconvenient forum.

SECTION 12.10 THIRD PARTIES; JOINT VENTURES. This Agreement constitutes an agreement solely among the parties hereto, and, except as otherwise provided herein, is not intended to and will not confer any right, remedies, obligations, or liabilities, legal or equitable, including any right of employment on any Person (including but not limited to any employee or former employee of Seller) other than the parties hereto and their respective successors or assigns, or otherwise constitute any Person a third party beneficiary under or by reason of this Agreement. Nothing in this Agreement, expressed or implied, is intended to or shall constitute the parties hereto partners or participants in a joint venture.

SECTION 12.11 CONSTRUCTION. This Agreement has been negotiated by Buyer and Seller and their respective legal counsel, and legal or equitable principles that might require the construction of this Agreement or any provision of this Agreement against the party drafting this Agreement shall not apply in any construction or interpretation of this Agreement.

SECTION 12.12 ARBITRATION. Except for claims for injunctive relief under Section 6.10, claims for damages or specific performance pursuant to Section 10.1 or 10.2 and third-party claims by one party against the other in any action or proceeding commenced by unaffiliated persons or firms, all claims, disputes and differences hereunder shall be determined by arbitration under the rules then obtaining of the American Arbitration Association in Arizona. If $50,000 or more is at issue, the matter shall be heard by a panel of three arbitrators. In such case, Seller and Buyer shall each designate one disinterested arbitrator, and the two arbitrators so designated shall select the third arbitrator. Buyer and Seller agree that in any dispute submitted for arbitration in connection herewith, the "non-prevailing" party shall pay all fees and expenses of the arbitration proceedings incurred by the "prevailing" party if the amount of award granted to the "prevailing" party is in excess of the award, if any, granted to the "non-prevailing" party; otherwise each party shall pay its own fees and expenses and one-half of the arbitration fees and expenses.

SECTION 12.13 FURTHER ACTS. Buyer and Seller shall, without further consideration, execute and deliver such further instruments and documents and do such other acts and things as the other may reasonably request in order to confirm the transactions contemplated by this Agreement. Without limiting the foregoing, Seller shall deliver to Buyer any and all checks, drafts or other forms of payment received in respect of any of the Accounts Receivable acquired by Buyer pursuant to the terms of this Agreement and any of the Accounts Receivable subsequent to the Closing Date derived from the operations of the Business.

[Remainder of this page intentionally left blank;
Signatures to follow]

IN WITNESS WHEREOF, Buyer and Seller have executed this Agreement as of the date first written above.

BUYER:

MEDIACOM CALIFORNIA LLC

By: Mediacom LLC, a Member

By: /s/ Rocco B. Commisso

Name: Rocco B. Commisso
Title: Manager

SELLER:

VALLEY CENTER CABLESYSTEMS, L.P.

By: Western Cablesystems III, Inc.,
its General Partner

By: ________________________________
Name: R. Michael Kruger
Title: President

SOLELY FOR PURPOSES
OF SECTION 3.2:

____
R. Michael Kruger

IN WITNESS WHEREOF, Buyer and Seller have executed this Agreement as of the date first written above.

BUYER:

MEDIACOM CALIFORNIA LLC

By: Mediacom LLC, a Member

By: ________________________________
Name: Rocco B. Commisso
Title: Manager

SELLER:

VALLEY CENTER CABLESYSTEMS, L.P.

By: Western Cablesystems III, Inc.,
its General Partner

By: /s/ R. Michael Kruger

Name: R. Michael Kruger
Title: President

SOLELY FOR PURPOSES
OF SECTION 3.2:

/s/ R. Michael Kruger
- ------------------------------
R. Michael Kruger

EXHIBIT 10.10

LOWER DELAWARE/MARYLAND

ASSET PURCHASE AGREEMENT

BY AND BETWEEN

AMERICAN CABLE TV INVESTORS 5, LTD.

AND

MEDIACOM LLC

DATED AS OF

DECEMBER 24, 1996

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ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement ("AGREEMENT") is made as of the 24th day of December, 1996, by and between AMERICAN CABLE TV INVESTORS 5, LTD., a Colorado limited partnership ("SELLER"), and MEDIACOM LLC, a New York limited liability company ("BUYER").

RECITALS

A. Seller is engaged in the business of providing cable television service to subscribers in and around the geographic areas set forth on Exhibit A.

B. Buyer desires to purchase and Seller desires to sell the assets of Seller designated in this Agreement used or held for use in connection with that business, upon the terms and subject to the conditions set forth in this Agreement.

Accordingly, the parties agree as follows:

ARTICLE I

1. DEFINITIONS.

"ACCOUNTANTS" shall have the meaning set forth in Section 3.4.

"ACCOUNTS RECEIVABLE" shall mean all accounts receivable of Seller representing amounts earned by Seller in connection with its operation of the Business through the Adjustment Time.

"AD INSERTION AGREEMENT" shall have the meaning set forth in Section 7.21.

"ADJUSTMENT TIME" shall have the meaning set forth in Section 3.2.

"AFFILIATE" shall mean, with respect to any Person, any other Person controlling, controlled by or under common control with such Person, with "control" for such purpose meaning the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities or voting interests, by contract or otherwise.

"ALTERNATIVE TRANSACTION" shall mean any transaction which could result in the transfer of control over, or ownership of, all or substantially all the Assets, including (a) any merger or consolidation of Seller in which another Person or group of Persons acquires 50% or more of the partnership interests in Seller or the equity interests of the surviving entity, as the case may be, (b) any tender offer or exchange offer for partnership interests in Seller which, if consummated, would result in a Person or group of Persons (other than the existing partners in such entities as of the date of this Agreement) owning 50% or more of the partnership interests in Seller or (c) any sale or other disposition of all or substantially all the Assets.

"ANGOLA CONSENT" shall mean the consent of Angola-by-the-Bay Property Owners Association Inc. (or any successor thereto) to permit the transfer to Buyer of the Agreement to Construct, Maintain and Operate a Cable Television System, dated September 8, 1975, between Angola-by-the-Bay Property Owners Association Inc. and CATV Sussex Limited Partnership, as assigned to Seller.

"ASSETS" shall mean all properties, privileges, rights, interests and claims, real and personal, tangible and intangible, of every type and description that are owned, leased, used or held for use in the Business in which Seller has any right, title or interest or in which Seller acquires any right, title or interest on or before the Closing Date, including Accounts Receivable, Governmental Permits, Intangibles, Seller Contracts, Equipment and Real Property but excluding any Excluded Assets and any Assets disposed of by Seller in the ordinary course of business prior to the Closing Date.

"ASSUMED LIABILITIES" shall have the meaning set forth in Section 4.1.

"BASIC SERVICES" shall mean the lowest tier of cable television programming sold to subscribers of the System for which a subscriber served by the System pays a fixed monthly fee to Seller, excluding Expanded Basic Services, Pay TV and any charges for additional outlets and installation fees and revenues derived from the rental of converters, remote control devices and other like charges for equipment.

"BASIC SUBSCRIBER RATE" shall mean, for the System, the predominant monthly fees and charges derived from the provision of Basic Services to single family households, as of June 30, 1996, as set forth on SCHEDULE 1.1.

"BEST OF SELLER'S KNOWLEDGE" shall mean the actual knowledge of Seller after reasonable inquiry of Marvin Jones, Ramona Whitman and David Kane.

"BUSINESS" shall mean the cable television business conducted by Seller through the System in and around the Franchise Areas.

"BUSINESS DAY" shall mean any day other than Saturday, Sunday or a day on which banking institutions in Denver, Colorado or New York, New York are required or authorized to be closed.

"BUYER" shall mean the Person identified as such in the preamble to this Agreement.

"BUYER FINANCIAL STATEMENT" shall have the meaning set forth in Section 6.5.

"CABLE ACT" shall have the meaning set forth in Section 5.8.

"CLOSING" shall mean the consummation of the transactions contemplated by this Agreement, as described in Article II.

"CLOSING DATE" shall mean the date on which the Closing occurs.

"CODE" shall mean the Internal Revenue Code of 1986, as amended.

"COMMUNICATIONS ACT" shall have the meaning set forth in Section 5.8(c).

"COMMITMENT" shall have the meaning set forth in Section 7.17.

"CONSENTS" shall mean any registration with, consent or approval of, notice to, or action by any Person or Governmental Authority required to permit the transfer of the Assets to Buyer or permit Seller to perform any of its other obligations under this Agreement, as set forth on SCHEDULE 1.2.

"COPYRIGHT ACT" shall mean Title 17 of the United States Code, as amended, and all rules and regulations thereunder.

"DEPOSIT" shall have the meaning set forth in Section 3.1.

"EMPLOYER" shall have the meaning set forth in Section 5.13(a).

"EMPLOYER PLANS" shall have the meaning set forth in Section 5.13(e).

"ENCUMBRANCE" shall mean any mortgage, lien, security interest, security agreement, conditional sale or other title retention agreement, limitation, pledge, option, charge, assessment, restrictive agreement, restriction, encumbrance, adverse interest, restriction on transfer or any exception to or defect in title or other ownership interest (including reservations, rights of way, possibilities of reverter, encroachments, easements, rights of entry, restrictive covenants, leases and licenses).

"ENVIRONMENTAL LAW" shall mean any Legal Requirement relating to pollution or protection of public health, safety or welfare or the environment, including those relating to emissions, discharges, releases or threatened releases of Hazardous Substances into the environment (including ambient air, surface water, ground water or land), or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Substances.

"EQUIPMENT" shall mean all electronic devices, trunk and distribution coaxial and optical fiber cable, amplifiers, power supplies, conduit, vaults and pedestals, grounding and pole hardware, subscriber's devices (including converters, encoders, transformers behind television sets and fittings), headend hardware (including origination, earth stations, transmission and distribution system), test equipment, vehicles and other tangible personal property owned, leased, used or held for use by Seller in connection with the Business, including the items described on SCHEDULE 1.3.

"EQUIVALENT BASIC SUBSCRIBERS" shall mean, with respect to each Franchise Area, as of any date, the number of active customers for Basic Services either in a single household, a commercial establishment or a multi-unit dwelling (including a hotel unit); provided, however, that the number of customers in a commercial establishment or multi-unit dwelling that obtain service on a "bulk-rate" basis shall be determined for each Franchise Area by dividing the gross bulk-rate billings for Basic Services and Expanded Basic Services (but excluding billings from a la carte tiers or premium services, installation or other non-recurring charges, converter rental or any outlet or connection other than the first outlet or connection, pass-through charges for sales taxes, line-itemized franchise fees, fees charged by the FCC and the like) attributable to such commercial establishment or multi-unit dwelling during the most recent billing period ended prior to the date of calculation (but excluding billings in excess of a single month's charge) by the rate charged at the date of determination to individual households for the highest level of Basic Services and Expanded Basic Services offered in the Franchise Area, such rate not to be less than the rate for such Franchise Area set forth on SCHEDULE 1.1 (excluding billings from a la carte tiers or premium services, installation or other non-recurring charges, converter rental, pass-through charges for sales taxes, line-itemized franchise fees, fees charged by the FCC and the like). For purposes of this definition, (i) an "active customer" shall mean, as of any date, any person, commercial establishment or multi-unit dwelling that is paying for and receiving Basic Services from the System in that Franchise Area who has an account that is not more than 60 days past due (except for past due amounts of $10.00 or less, provided such account is otherwise current) but excluding any person, commercial establishment or multi-unit dwelling that as of the date of calculation has not paid in full the charges for at least one month of the services ordered or who has been obtained as a subscriber by offers made, promotions conducted or discounts given outside of the ordinary course of business, or whose account has been compromised or written off other than in the ordinary course of business consistent with past practices for reasons such as interrupted service but not for the purpose of making it qualify as an "active customer," and (ii) the number of days a customer account is past due shall be calculated from the first day of the period for which the applicable billing relates.

"ERISA" shall have the meaning set forth in Section 5.13(b).

"ESCROW AGENT" shall have the meaning set forth in Section 3.1.

"ESCROW AGREEMENT" shall have the meaning set forth in Section 3.1.

"EXCHANGE ACT" shall mean the Securities and Exchange Act of 1934, as amended.

"EXCLUDED ASSETS" shall have the meaning set forth in Section 4.2.

"EXCLUDED LIABILITIES" shall have the meaning set forth in Section 4.1(b).

"EXHIBITS" shall mean the exhibits prepared and delivered pursuant to this Agreement.

"EXPANDED BASIC SERVICES" shall mean any video programming provided over the System, regardless of service tier, other than Basic Services, any new product tier and video programming offered on a per channel or per program basis, for which a subscriber served by the System pays a fixed monthly fee to Seller, excluding Pay TV and any charges for additional outlets and installation fees and revenues derived from the rental of converters, remote control devices and other like charges for equipment.

"FCC" shall have the meaning set forth in Section 5.8(c).

"FINAL ADJUSTMENTS REPORT" shall have the meaning set forth in Section 3.4(b).

"FRANCHISE AREAS" shall mean those areas in which Seller is authorized under one or more Governmental Permits issued by the applicable franchising authorities to provide cable television service to subscribers located in such areas through the ownership and operation of the System, as set forth on SCHEDULE 1.4.

"GAAP" shall mean generally accepted accounting principles as in effect in the United States of America on the date of this Agreement.

"GENERAL PARTNER" shall mean IR-TCI Partners V, L.P., the general partner of Seller.

"GOVERNMENTAL AUTHORITY" shall mean any of the following: (a) the United States of America; (b) any state, commonwealth, territory or possession of the United States of America and any political subdivision thereof (including counties, municipalities and the like); or (c) any agency, authority or instrumentality of any of the foregoing, including any court, tribunal, department, bureau, commission or board.

"GOVERNMENTAL PERMITS" shall mean all franchises, authorizations, permits, licenses, easements, registrations, leases, variances and similar rights obtained from any Governmental Authority which authorize or are required in connection with the operation of the Business, as described on SCHEDULE 1.5.

"HAZARDOUS SUBSTANCES" shall mean any pollutant, contaminant, chemical, industrial, toxic, hazardous or noxious substance or waste which is regulated by any Governmental Authority, including, but not limited to (a) any petroleum or petroleum compounds (refined or crude), flammable substances, explosives, radioactive materials or any other materials or pollutants which pose a hazard or potential hazard to the Real Property or to Persons in or about the Real Property or cause the Real Property to be in violation of any Legal Requirement of any Governmental Authority, (b) asbestos or any asbestos-containing material of any kind or character, (c) polychlorinated biphenyls ("PCBS"), as regulated by the Toxic Substances Control Act, 15 U.S.C. (S) 2601 et seq., (d) any materials or substances designated as "hazardous substances"
- -- ---
pursuant to the Clean Water Act, 33 U.S.C. (S) 1251 et seq., (e) "chemical
-- ---
substance," "new chemical substance" or "hazardous chemical substance or mixture" as defined in the Toxic Substances Control Act, referred to above, (f) "hazardous substances" pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. (S) 9601 et seq. and (g) "hazardous
-- ---
waste" pursuant to the Resource Conservation and Recovery Act, 42 U.S.C. (S) 6901 et seq.
-- ---

"HOMES PASSED" shall mean, with respect to the System and as of June 30, 1996, the total of (a) the number of single family residences capable of being serviced without further line construction, (b) the number of units in multi-family residential buildings capable of being serviced without further line construction and not then governed by bulk-service agreements and (c) the number of bulk service agreements regardless of the number of units serviced or the equivalent billing units.

"HSR ACT" shall have the meaning set forth in Section 7.6.

"INITIAL TERMINATION DATE" shall mean June 30, 1997.

"INTANGIBLES" shall mean all general intangibles, including subscriber lists, claims (excluding any claims relating to Excluded Assets), patents, copyrights and goodwill, if any, owned, used or held for use by Seller in connection with the Business.

"IRS" shall mean the Internal Revenue Service.

"LEGAL REQUIREMENT" shall mean any statute, ordinance, code, law, rule, regulation, order or other requirement, standard or procedure enacted, adopted or applied by any Governmental Authority, including judicial decisions applying common law or interpreting any other Legal Requirement.

"LIMITED PARTNERS" shall mean the Persons who own or hold units of limited partnership interests in Seller.

"MANAGEMENT AGREEMENT" shall mean the agreement related to the operation of the System and the other cable systems owned by Seller between Seller and TCI Cablevision Associates, Inc. (formerly known as Daniels & Associates, Inc.).

"Material Adverse Change in the Financial Markets" shall mean a change in the U.S. financial markets that has a material adverse effect, generally, on the ability to obtain debt or equity financing.

"Ocean Pines Consent" shall mean the consent of Ocean Pines Association (or any successor thereto) to permit the transfer to Buyer of the Agreement for the Construction and Operation of a Cable Television System, dated February 1, 1978, between Triad CATV, Inc. and Ocean Pines Association, as assigned to Seller.

"Partnership Agreement" shall mean the Amended and Restated Limited Partnership Agreement of Seller, dated as of January 1, 1987, by and between IR-TCI Partners V, L.P. (formerly known as IR-Daniels Partners V, L.P.), as the general partner, and David B. Beyth, as the initial limited partner.

"Pay TV' shall mean premium programming services selected by and sold to subscribers of the System for monthly fees in addition to the fee for Basic Services.

"Permitted Encumbrances" shall mean the following: (a) liens for taxes, assessments and governmental charges not yet due and payable; (b) zoning laws and ordinances and similar Legal Requirements; (c) rights reserved to any Governmental Authority to regulate the affected property; (d) as to leased Assets, interests of lessors and Encumbrances affecting the interests of the lessors; (e) the Encumbrances described on Schedule 1.6; and (0 any liens, easements, rights-of-way, servitudes, permits, leases, restrictions and imperfections or irregularities in title that do not in any material respect, individually or in the aggregate, affect or impair the value or use of the affected Asset as it is currently being used by Seller.

"Person" shall mean any natural person, corporation, partnership, trust, unincorporated organization, association, limited liability company, Governmental Authority or other entity.

"Preliminary Adjustments Report" shall have the meaning set forth in Section 3.4(a).

"Prime Rate" shall mean the rate of interest quoted from time to time in The Wall Street Journal as the prime rate.

"Purchase Price" shall have the meaning set forth in Section 3.1.

"Real Property" shall mean all Assets consisting of interests in real property (including, to the extent applicable, improvements, fixtures and appurtenances), including fee and leasehold interests, as described on Schedule 1.7.

"Regulatory Requirement" shall mean any filing required pursuant to the Securities Act, the Exchange Act, the HSR Act, state securities laws (including, but not limited to, state "blue sky" laws) and state corporate laws (including, but not limited to, takeover statutes).

"Remediation" shall have the meaning set forth in Section 7.5.

"Required Consents" shall mean the Consents designated as such on Schedule 1.2 by an asterisk.

"Schedules" shall mean the schedules prepared and delivered pursuant to this Agreement.

"Sea Colony Consent" shall mean an agreement between Seller and Sea Colony Associates, Inc. (or any successor thereto), assignable to Buyer, to provide Basic Services to the Units with an expiration date no earlier than the second anniversary of the Closing Date.

"SEC" shall mean the Securities and Exchange Commission.

"Securities Act" shall mean the Securities Act of 1933, as amended.

"Seller" shall mean the Person indicated as such in the preamble to this Agreement.

"Seller Contracts" shall mean all contracts, agreements and leases, other than those that are Governmental Permits, to which Seller is a party and pertain to the ownership, operation or maintenance of the Assets or the Business, including those described on Schedule 1.8.

"Seller Financial Statements" shall have the meaning set forth in Section 5.11.

"Service Area" shall mean any area within a Franchise Area where businesses, residences, multi-family dwellings, hotels, motels, trailers and other users are capable of being serviced with terrestrial cable television services without further line construction as of the Closing Date excluding those areas where TCI is providing terrestrial cable television services by means of cable, microwave, fiber optics, satellite receivers or broadcasts as of the Closing Date.

"System" shall mean a cable television reception and distribution system operated in the conduct of the Business, consisting of one or more headends, subscriber drops and associated electronic and other equipment, and which is, or is capable of being without modification, operated as an independent system without interconnections to other systems, as set forth on Schedule 1.9.

"Taking" shall have the meaning set forth in Section 7.7(b).

"Tax Return" shall mean any return, report, information return or other document (including any related or supporting information) filed or required to be filed with any taxing authority in connection with the determination, assessment, collection, administration or imposition of any Taxes.

"Taxes" shall mean all taxes, charges, fees, liens, imposts, duties or other assessments including, but not limited to, income, withholding, excise, employment, property, sales, franchise, use and gross receipt taxes, imposed by the United States or any state, county, local or foreign government or any subdivision thereof. Such term shall also include any interest, penalties or additions attributable to such assessments.

"TCI" shall mean TCI Communications, Inc., a Delaware corporation.

"Telecom Act" shall have the meaning set forth in Section 5.8(e).

"Termination Date" shall mean July 22, 1997; provided however, Seller shall have the right upon five days notice to Buyer, to extend the Termination Date to a date designated in such notice, which date shall in no event be later than September 22, 1997; provided further, Seller shall have the right, upon five days notice to Buyer to further extend the Termination Date to a date designated in such notice, which date shall in no event be later than December 19, 1997.

"Tunnell Properties Consent" shall mean the consent of Pot-Nets, Inc. (or any successor thereto) to permit the transfer to Buyer of the Agreement Granting a Cable Television Franchise, dated as of November 20, 1973, by and between CATY Sussex Company and Pot-Nets, Inc., as assigned to Seller.

"Units" shall mean the number of Equivalent Basic Subscribers attributable to the units of Sea Colony determined in accordance with the definition of "Equivalent Basic Subscribers".

"WARN Act" shall mean the Worker Adjustment and Retraining Notification Act.

ARTICLE II

2. Purchase and Sale of Assets.

2.1 Purchase and Sale of Assets. Subject to the satisfaction of the conditions to each party's obligations set forth in Articles VIII and IX (or, with respect to any condition not satisfied, the waiver thereof by the party or parties for whose benefit the condition exists), Seller shall sell, assign, transfer and deliver to Buyer all of Seller's right, title and interest in, and Buyer shall purchase, acquire, accept and pay for, the Assets.

2.2 Time and Place of Closing. Subject to the terms and conditions of this Agreement, the Closing shall take place at 10:00 a.m. New York City time on a date specified by notice from Seller or Buyer to the other (but shall not in any event be prior to the satisfaction or waiver of the conditions to Closing as set forth in Articles VIII and IX or no later than ten Business Days after satisfaction or waiver of all conditions to Closing as set forth in Articles VIII and IX), in New York, New York at the offices of Kaye, Scholer, Fierman, Hays & Handler, LLP. or at such other time or place as the parties may agree; provided, however, the date specified in such notice shall not be less than 10 nor more than 30 days after the date of such notice (unless the Termination Date would occur within such 10-day period, in which event Seller or Buyer shall have the right to designate any date prior to the Termination Date as the date of Closing); provided, further, that if Seller gives Buyer notice designating a date for Closing prior to June 23, 1997 and Buyer has not yet obtained the Commitment, Buyer shall have the right to designate the date for Closing, which shall be on or prior to June 23, 1997.

ARTICLE III

3. Consideration.

3.1 Consideration for the Assets. The aggregate consideration for the Assets shall consist of (i) an amount equal to $43,100,000, subject to proration as set forth in Section 3.2 and adjustment as set forth in Section 3.3 (the "Purchase Price") and (ii) the assumption by Buyer of the Assumed Liabilities. The Purchase Price shall be payable as follows: (a) $1,077,500 (the "Deposit"), payable concurrently with the execution and delivery of this Agreement in cash by means of wire or interbank transfer in immediately available funds to the account of The Chase Manhattan Bank (the "Escrow Agent"), to be held, administered and distributed for the respective benefits of the parties hereto in accordance with the terms of this Agreement and the Escrow Agreement among Seller, Buyer and the Escrow Agent dated the date of this Agreement (the "Escrow Agreement") in the form set forth as Exhibit B attached hereto, and (b) $42,022,500, as adjusted by the prorations and adjustments set forth in the Preliminary Adjustments Report but subject to Sections 3.3(c), (d) and (e) and to the last sentence of Section 3.4(a), payable by Buyer to Seller, or Seller's designee, at Closing in cash by means of wire or interbank transfer in immediately available funds. At Closing, Seller and Buyer shall direct the Escrow Agent to release any interest, earnings and gains then accrued on the Deposit to Buyer, or Buyer's designee, in accordance with the terms of the Escrow Agreement and Escrow Agent shall retain the Deposit, in accordance with the terms of the Escrow Agreement, for the satisfaction of indemnification claims by Buyer against Seller, if any, pursuant to Article XII.

3.2 Purchase Price Prorations. (a) All revenues (other than Accounts Receivable being purchased by Buyer hereunder) and all expenses arising from the operations of the Business up until 12:01 a.m. on the Closing Date (the "Adjustment Time"), including, but not limited to, pole rental fees, rental or other charges payable in respect of the Seller Contracts, sales and use taxes payable with respect to cable television service and equipment (which shall not include sales or use taxes arising out of the consummation of the transaction contemplated hereunder), power and utility charges, real and personal property taxes and assessments levied against the Assets, applicable franchise, copyright or other fees, sales and service charges, wages, payroll taxes and payroll expenses (including accrued vacation pay except to the extent a Purchase Price adjustment in Buyer's favor is made under Section 3.3) of employees of Employer who primarily perform services in connection with the operation of the Business who are employed by Buyer as of the Closing, and other prepaid and deferred items shall be prorated between Buyer and Seller as of the Adjustment Time in accordance with GAAP and the principle that Seller shall receive all revenues (other than Accounts Receivable being purchased by Buyer hereunder) and shall be responsible for all expenses, costs and liabilities allocable to the period prior to the Adjustment Time and Buyer shall receive all revenues and shall be responsible for all expenses, costs and liabilities allocable to the period after the Adjustment Time.

(b) The amount of each item of revenue prorated under subsection (a) above, to a party which has not received, and under the terms of this Agreement will not receive, such revenue shall be deemed a charge against the other party. The amount of any item of cost or expense prorated under subsection (a) above to a party which has not paid, and under the terms of this Agreement will not pay, such cost or expense shall be deemed a charge against such party. If the aggregate charges allocated to Seller as set forth in this Section 3.2(b) exceed the aggregate charges allocated to Buyer as set forth in this Section 3.2(b), the Purchase Price shall be decreased by an amount equal to the difference between the aggregate charges allocated to Seller and the aggregate charges allocated to Buyer. If the aggregate charges allocated to Buyer as set forth in this Section 3.2(b) exceed the aggregate charges allocated to Seller as set forth in this Section 3.2(b), the Purchase Price shall be increased by an amount equal to the difference between the aggregate charges allocated to Buyer and the aggregate charges allocated to Seller.

3.3 Purchase Price Adjustments. (a) The Purchase Price shall be increased by an amount equal to the aggregate of the following:

(i) (a) 100% of the face amount of all Accounts Receivable which, as of the Closing Date, are outstanding for a period of not more than 30 days after their respective invoice dates and (b) 85% of the face amount of all Accounts Receivable which, as of the Closing Date, are outstanding for a period of more than 30 days but not more than 60 days after their respective invoice dates; and

(ii) to the extent not included in the prorations to the Purchase Price as set forth in Section 3.2, the dollar amount of all advance payments to, or deposits with, third parties relating to the Business which, as of the Closing Date, are for the account of Seller or are security for Seller's performance of its obligations under any agreement relating to the Business or any Assets, including, but not limited to, deposits made with lessors and deposits for utilities.

(b) The Purchase Price shall be decreased by an amount equal to the sum of (i) the dollar amount of the remaining balance, as of the Closing Date, of all advance payments to, or monies of third parties on deposit with, Seller relating to the Business, including advance payments and deposits by customers served by the Business for converters, encoders, decoders, cable service and related sales, (ii) the dollar amount of accrued vacation pay of employees of Employer identified on Schedule 5.13(d) who are employed by Buyer as of the Closing and (iii) if the average of the aggregate number of Equivalent Basic Subscribers served by the System (excluding the Units) as of the Closing Date and as of the first day of the month for the eleven months prior to the month during which the Closing occurs (the "Subscriber Average") is less than 27,582, an amount equal to (x) the difference between 27,582 and the Subscriber Average times (y) $1,507.

(c)(i) If as of the Closing Date Seller has obtained the Sea Colony Consent, then no adjustment shall be made to the Purchase Price other than as provided for in Sections 3.2 and 3.3(a) and (b); provided, however, that if the weighted average rate charged under such agreement for the provision of Basic Services (the "Closing Rate") is less than $13.09 per unit of Sea Colony per month, the Purchase Price shall be decreased by an amount equal to (x) $1,534,126 (the "Sea Colony Adjustment") minus (y) the Units calculated using the Closing Rate times $1,507.

(ii) If as of the Closing Date, (x) Seller has not obtained the Sea Colony Consent and (y) Seller has received written notice from Carl M. Freeman Associates, Inc. (or any successor thereto) that Buyer will not be permitted to provide Basic Services to the Units after the Closing Date (a "Sea Colony Notice"), then the Purchase Price shall be decreased by an amount equal to the Sea Colony Adjustment.

(iii) If as of the Closing Date Seller (x) has not obtained the Sea Colony Consent, (y) has not received a Sea Colony Notice and (z) is not providing Basic Services to the Units, then the Purchase Price shall be decreased by an amount equal to the Sea Colony Adjustment and at Closing Buyer shall place into escrow an amount equal to the Sea Colony Adjustment.

(iv) If as of the Closing Date Seller (x) has not obtained the Sea Colony Consent, (y) has not received a Sea Colony Notice and (z) is providing Basic Services to the Units, then at Closing Seller shall place into escrow a portion of the Purchase Price equal in amount to the Sea Colony Adjustment.

(v) Any funds placed into escrow pursuant to paragraph (iii) or (iv) of this Section 3.3(c) shall be released (together with any interest earned thereon) as follows:

(x) if Buyer does not provide, or ceases to provide, Basic Services to the Units prior to the first anniversary of the Closing Date and does not commence or recommence providing such services for a continuous period of 180 days, then on the 181st day:

(i) to Seller, an amount equal to 50% of any revenue attributable to the provision of cable services to the Units for the period from the Closing Date to the date Buyer ceases providing such services; and

(ii) the balance to Buyer;

provided, that if within 180 days after the first date on which Buyer does not provide, or ceases to provide, Basic Services to the Units, Buyer commences or recommences providing such services to the Units, then on the fifth Business Day after Buyer commences or recommences providing such services:

(A) to Buyer, an amount equal to 50% of any loss in revenue to Buyer attributable to cable services to the Units for the period from the date Buyer does not provide or ceases to provide Basic Services to the Units to the date of commencement of such services based on an amount per month equal to the average monthly revenue received or accrued (in accordance with GAAP) by Seller for the Units for the twelve months prior to Closing (the "Units Revenue"); and

(B) the balance to Seller;

provided, further, that if the rate charged by Buyer for the provision of Basic Services (the "New Rate") is less than $13.09 per unit of Sea Colony per month, then on the fifth Business Day after such agreement:

(1) to Buyer, an amount equal to 50% of any loss in revenue attributable to cable services to the Units for the period from the date Buyer does not provide or ceases to provide Basic Services to the Units to the date of commencement of such services based on an amount per month equal to the Unit Revenue plus an amount equal to (a) the Sea Colony Adjustment minus (b) the Units calculated using the New Rate times $1,507; and

(2) the balance to Seller;

(y) if Buyer enters into a written agreement to provide Basic Services to the Units, then on the fifth Business Day after such agreement:

(i) to Buyer, an amount equal to 50% of any loss in revenue to Buyer attributable to cable services to the Units for the period from the date Buyer does not provide or ceases to provide Basic Services to the Units to the date of commencement of such services based on an amount per month equal to the Units Revenue; and

(ii) the balance to Seller;

provided, however, that if the New Rate charged under Buyer's agreement for the provision of Basic Services is less than $13.09 per unit of Sea Colony per month, then on the fifth Business Day after such agreement:

(A) to Buyer, an amount equal to 50% of any loss in revenue attributable to cable services to the Units for the period from the date Buyer does not provide or ceases to provide

Basic Services to the Units to the date of commencement of such services based on an amount per month equal to the Units Revenue plus an amount equal to (a) the Sea Colony Adjustment minus (b) the Units calculated using the New Rate times $1,507; and

(B) the balance to Seller; or

(z) if Buyer commences or recommences providing Basic Services to the Units without having entered into an agreement therefor and, on the first anniversary of the Closing Date, is regularly so providing such services, then, on the first anniversary of the Closing Date:

(i) to Buyer, an amount equal to 50% of any loss in revenue to Buyer attributable to cable services to the Units for the period from the date Buyer does not provide or ceases to provide Basic Services to the Units to the date of commencement or recommencement of such services based on an amount per month equal to the Units Revenue; and

(ii) the balance to Seller;

provided, however, that if the New Rate actually charged by Buyer for the provision of Basic Services is less than $13.09 per Unit of Sea Colony per month, then

(A) to Buyer, 50% of any loss in revenue to Buyer attributable to cable services to the Units for the period from the date Buyer does not provide or ceases to provide Basic Services to the Units to the date of commencement or recommencement of such services based on an amount per month equal to the Units Revenue, plus an amount equal to (a) the Sea Colony Adjustment minus (b) the Units calculated using the New Rate times $1,507; and

(B) the balance to Seller.

(vi) If the Subscriber Average calculated as of the earlier of the Closing Date and April 30, 1997 is greater than 27,582, then any adjustment to the Purchase Price and any amount to be placed into escrow by Seller or Buyer pursuant to paragraphs (iii) and (iv) of this Section 3.3(c) shall be decreased by an amount equal to the difference between 27,582 and the Subscriber Average calculated as of the earlier of the Closing Date and April 30, 1997, times $1,507.

(vii) If (A) the Purchase Price is adjusted pursuant to paragraph (ii) of this Section 3.3(c) or any portion of the escrow funds are released to Buyer pursuant to Section 3.3(c)(v)(x)(ii) and (B)(i) on or prior to the first anniversary of the Closing Date Buyer enters into a written agreement to commence or recommence providing Basic Services to the Units or (ii) on the first anniversary of the Closing Date Buyer is in fact regularly providing such services (whether or not pursuant to an agreement), then Buyer shall pay to Seller an amount equal to (i)(a) the amount of the Sea Colony Adjustment or (b) if the New Rate is less than $13.09 per unit of Sea Colony per month, an amount equal to the Units calculated using the New Rate times $1,507 minus (ii) 50% of any loss in revenue to Buyer attributable to cable services to the Units for the period from the date Buyer does not provide or ceases to provide Basic Services to the Units to the date of commencement of such services based on an amount per month equal to the Units Revenue; such payment shall be made to Seller in cash (by means of interbank transfer in immediately available funds) within 10 Business Days of commencement of such services but in no event later than the first anniversary of the Closing Date.

(d) If as of the Closing Date Seller has not obtained the Tunnell Properties Consent, then at Closing Seller shall place into escrow a portion of the Purchase Price equal to (a) the average number of Equivalent Basic Subscribers that are the subject of the Tunnell Properties Consent included in the Subscriber Average times (b) $1,507 (the "Tunnell Properties Adjustment"). The Tunnell Properties Adjustment shall be released from escrow (together with any interest earned thereon) as follows:

(x) if Buyer does not provide, or ceases to provide, Basic Services to the Tunnell Properties Subscribers and does not commence or recommence providing such services for a continuous period of 45 days, then on the 46th day:

(i) to Seller, an amount equal to 50% of any revenue attributable to the provision of cable services to the subscribers that are the subject of the Tunnell Properties Consent (the "Tunnell Properties Subscribers") from the Closing Date to the date Buyer ceases providing such services; and

(ii) the balance to Buyer;

(y) if Seller obtains the Tunnell Properties Consent or Buyer enters into a written agreement to provide Basic Services to the Tunnell Properties Subscribers, then on the fifth Business Day after the date of such agreement:

(i) to Buyer, an amount equal to 50% of any loss in revenue attributable to cable services to the Tunnell Properties Subscribers for the period from the date Buyer does not provide or ceases to provide Basic Services to the Tunnell Properties Subscribers to the date of commencement of such services based on an amount per month equal to the average monthly revenue received or accrued (in accordance with GAAP) by Seller for the Tunnell Properties Subscribers for the twelve months prior to Closing (the "Tunnell Revenue") and

(ii) the balance to Seller; or

(z) if not theretofor released, then on the date which is the first anniversary of the Closing, to Seller.

If (A) any portion of the Tunnell Properties Adjustment is released from escrow to Buyer pursuant to Section 3.3(d)(x)(ii) and (B)(i) on or prior to the first anniversary of the Closing Buyer enters into a written agreement to commence providing Basic Services to the Tunnell Properties Subscribers or (ii) on the first anniversary of the Closing Date Buyer is in fact regularly providing such services (whether or not pursuant to an agreement), then Buyer shall pay to Seller an amount equal to (i) the Tunnell Properties Adjustment minus (ii) 50% of any loss of revenue attributable to cable services to the Tunnell Properties Subscribers for the period from the date Buyer does not provide or ceases to provide such services to the date of commencement or recommencement of such services based on an amount per month equal to the Tunnell Revenue.

(e) If as of the Closing Date Seller has not obtained the Angola Consent, then at Closing Seller shall place into escrow a portion of the Purchase Price equal to (a) the average number of Equivalent Basic Subscribers that are the subject of the Angola Consent included in the Subscriber Average times (b) $1,507 (the "Angola Adjustment"). The Angola Adjustment shall be released from escrow (together with any interest earned thereon) as follows:

(x) if Buyer does not provide, or ceases to provide, Basic Services to the Angola Subscribers and does not commence or recommence providing such services for a continuous period of 45 days, then on the 46th day:

(i) to Seller, an amount equal to 50% of any revenue attributable to the provision of cable services to the subscribers that are the subject of the Angola Consent (the "Angola Subscribers") from the Closing Date to the date Buyer does ceases providing such services; and

(ii) the balance to Buyer;

(y) if Seller obtains the Angola Consent or Buyer enters into a written agreement to provide Basic Services to the Angola Subscribers, then on the fifth Business Day after the date of such agreement:

(i) to Buyer, an amount equal to 50% of any loss in revenue attributable to cable services to the Angola Subscribers for the period from the date Buyer does not provide or ceases to provide Basic Services to the Angola Subscribers to the date of commencement of such services based on an amount per month equal to the average monthly revenue received or accrued (in accordance with GAAP) by Seller for the Angola Subscribers for the twelve months prior to Closing (the "Angola Revenue"); and

(ii) the balance to Seller; or

(z) if not theretofor released, then on the date which is the first anniversary of the Closing, to Seller.

If (A) any portion of the Angola Adjustment is released from escrow to Buyer pursuant to Section 3.3(e)(x)(ii) and (B)(i) on or prior to the first anniversary of the Closing Buyer enters into a written agreement to commence providing Basic Services to the Angola Subscribers or (ii) on or prior to the first anniversary of the Closing Date Buyer is in fact regularly providing such services (whether or not pursuant to an agreement), then Buyer shall pay to Seller an amount equal to (i) the Angola Adjustment minus (ii) 50% of any loss of revenue attributable to cable services to the Angola Subscribers for the period from the date Buyer does not provide or ceases to provide such services to the date of commencement or recommencement of such services based on an amount per month equal to the Angola Revenue.

3.4 Preliminary and Final Settlements. Preliminary and final adjustments to the Purchase Price will be determined as follows:

(a) At least ten Business Days prior to the Closing Date, Seller will deliver to Buyer a report (the "Preliminary Adjustments Report"), prepared in good faith and on a reasonable basis, setting forth in reasonable detail Seller's estimate as of the Closing Date of the prorations set forth in Section 3.2 and the adjustments set forth in Section 3.3. The Preliminary Adjustments Report shall be certified by an authorized officer of the general partner of the General Partner to have been prepared in good faith and on a reasonable basis. Seller shall provide Buyer with such information as Buyer may reasonably request to verify the proposed prorations and adjustments. If Buyer gives notice to Seller that it reasonably believes that any of the proposed prorations or adjustments are materially incorrect and the parties are unable to resolve the dispute prior to Closing, the disputed amount shall be deposited with the Escrow Agent, to be administered and distributed in accordance with the terms of this Agreement and the Escrow Agreement, pending final resolution of the adjustments pursuant to Section 3.4(b).

(b) Within 60 days after the Closing Date, Seller will deliver to Buyer a report (the "Final Adjustments Report"), prepared in good faith and on a reasonable basis, setting forth in reasonable detail the final determination of the prorations set forth in Section 3.2 and the adjustments set forth in Section 3.3. The Final Adjustments Report shall make such changes to the Preliminary Adjustments Report as are necessary to cover those prorations or adjustments which (i) were estimated or were not calculated as of the Closing Date in the Preliminary Adjustments Report and (ii) were adjusted in the Preliminary Adjustments Report and which require subsequent adjustment. The Final Adjustments Report shall be certified by an authorized officer of the general partner of the General Partner to be true, complete and correct as of the date it is delivered.

Buyer shall provide Seller with reasonable access to all records which Buyer has in its possession and which are necessary for Seller to prepare the Final Adjustments Report. Seller shall provide Buyer with reasonable access to all records which Seller has in its possession which are necessary for Buyer to review and verify the Final Adjustments Report.

(c) Within 30 days after receipt of the Final Adjustments Report, Buyer shall review the Final Adjustments Report and notify Seller whether or not Buyer accepts all or any of the prorations and adjustments set forth on the Final Adjustments Report. If Buyer accepts the Final Adjustments Report with respect to all prorations and adjustments contained therein, Buyer or Seller, as appropriate, shall, within ten Business Days of such acceptance, make the following payments: (i) if the Purchase Price calculated based on the Final Adjustments

Report is greater than the Purchase Price calculated based on the Preliminary Adjustments Report, Buyer shall pay such difference to Seller in cash by wire or interbank transfer in immediately available funds, or (ii) if the Purchase Price calculated based on the Final Adjustments Report is less than the Purchase Price calculated based on the Preliminary Adjustments Report, Seller shall pay such difference to Buyer in cash by wire or interbank transfer in immediately available funds. In the event any payment required by this Section 3.4(c) is not made when due, Seller or Buyer, as appropriate, shall make the payment required by this Section 3.4(c) with interest accruing from the date such payment was due at the Prime Rate plus 5%.

(d) If Buyer in good faith objects to any prorations and/or adjustments set forth on the Final Adjustments Report, Buyer shall give notice thereof to Seller within 30 days after receipt of the Final Adjustments Report, specifying in reasonable detail the nature and extent of such disagreement and Buyer and Seller shall have a period of 30 days from Seller's receipt of such notice in which to resolve such disagreement. If such notice of objection is not received by Seller within 30 days after receipt of the Final Adjustments Report, it shall be deemed that Buyer has accepted the Final Adjustments Report with respect to all items set forth therein and within ten Business Days after the expiration of such 30-day period Buyer or Seller, as appropriate, shall make the payments described in Section 3.4(c). Any disputed amounts which cannot be agreed to by the parties within 30 days from Seller's receipt of Buyer's notice of objection to any of the adjustments set forth in the Final Adjustments Report shall be determined by a nationally recognized accounting firm selected by Buyer and Seller which has not been employed by Buyer or Seller for two years prior to the date hereof (the "Accountants") in accordance with the engagement letter set forth on Exhibit C attached hereto with such changes as may be requested by the Accountants and approved by Seller and Buyer. The engagement of and the determination by the Accountants shall be binding on and shall be nonappealable by Seller and Buyer. In the event that (a) the Purchase Price calculated based on the determination of the Accountants is less than the Purchase Price calculated based on the Final Adjustments Report, the fees and expenses payable to the Accountants shall be paid by Seller or (b) the Purchase Price calculated based on the determination of the Accountants is greater than or equal to the Purchase Price calculated based on the Final Adjustments Report, the fees and expenses payable to the Accountants shall be paid by Buyer. Within ten Business Days after the determination by the Accountants of all disputed prorations and/or adjustments, Buyer or Seller, as appropriate, shall make the payments described in Section 3.4(c) as if the determinations of the Accountants were included in the Final Adjustments Report. In the event any payment required by this Section 3.4(d) is not made when due, Seller or Buyer, as appropriate, shall make the payment required by this Section 3.4(d) with interest accruing from the date such payment was due at the Prime Rate plus 5%.

3.5 Disputed Liabilities. If a proration or adjustment to the Purchase Price is made in Buyer's favor for any liability assumed by Buyer but is in good faith being contested by Seller as of the Closing Date, and if Buyer is relieved of this liability, Buyer shall pay to Seller or its designee in cash (by means of wire or interbank transfer in immediately available funds) an amount equal to the unpaid portion of this liability within five Business Days after the date

Buyer receives written notice and such additional documentation as Buyer may reasonably request, all in form and substance reasonably acceptable to Buyer, that it is relieved of this liability. In the event any payment required by this Section 3.5 is not made by Buyer when due, Buyer shall make the payment required by this Section 3.5 with interest accruing from the date such payment was due at the Prime Rate plus 5%.

3.6 Allocation of Purchase Price. The Purchase Price shall be allocated among the classes of assets set forth in Section 1060 of the Code and the regulations thereunder in the manner agreed to by the parties prior to the Closing. After the Closing, Seller shall cooperate with Buyer in the preparation, execution and filing with the IRS of all information returns and supplements thereto required to be filed by the parties under Section 1060 of the Code relating to the allocation of such consideration, and Seller and Buyer agree to file Form 8594 (or any substitute therefor) when required by applicable law.

ARTICLE IV

4. Assumed Liabilities and Excluded Assets.

4.1 Assignment and Assumption. (a) Seller will assign, and Buyer will assume and perform, all liabilities and obligations of Seller arising out of the conduct of the Business, but excluding the Excluded Liabilities (collectively, the "Assumed Liabilities"). Without limiting the generality of the foregoing, the Assumed Liabilities shall include the following liabilities and obligations of Seller: (A) Seller's obligations to subscribers of the Business for (i) refunds of subscriber deposits held by Seller as of the Closing Date in respect of which a Purchase Price adjustment is made in Buyer's favor under Section 3.3(b), (ii) refunds of subscriber advance payments held by Seller as of the Closing Date for services to be rendered by the System after the Closing Date, in respect of which a Purchase Price adjustment is made in Buyer's favor under Section 3.3(b) and (iii) the delivery of cable television service to customers of the System after the Closing Date in a manner consistent with past practice; (B) obligations and liabilities in respect of which a Purchase Price adjustment in Buyer's favor is made under Section 3.3 including, but not limited to, accrued but unpaid real and personal property taxes related to the Assets which correspond to a period of time prior to the Adjustment Time, expenses accrued under Governmental Permits and Seller Contracts which correspond to a period of time prior to the Adjustment Time and certain accrued vacation pay; (C) obligations accruing and relating to periods on or after the Adjustment Time under Governmental Permits and Seller Contracts; and (D) any taxes accrued from or after the Adjustment Time in connection with the ownership of the Assets and the ownership of the Assets and the operation of the Business.

(b) Buyer will not assume or have any responsibility for any liabilities or obligations of Seller which arise out of, result from, or relate to, (i) the Excluded Assets or (ii) the conduct of the Business prior to the Adjustment Time (except to the extent a Purchase Price adjustment in Buyer's favor was made under Section 3.3(b)) (collectively, the "Excluded Liabilities").

4.2 Excluded Assets. Excluded from the assets which will be transferred from Seller to Buyer pursuant to this Agreement (collectively, the "Excluded Assets") are all assets not specifically identified in this Agreement as being transferred from Seller to Buyer. Without limiting the foregoing, "Excluded Assets" shall include all Seller's right, title and interest in, to and under the following: (a) all programming agreements relating to the Business; (b) all insurance policies and rights and claims thereunder (except as otherwise provided in Section 7.9(a)); (c) all bonds, letters of credit, surety instruments and other similar items and any cash surrender value thereunder; (d) all cash, cash equivalents and securities; (e) all trademarks, trade names, service marks, service names, logos and similar proprietary rights used in the Business, provided that Buyer shall have the right to use such proprietary rights for the period commencing on the Closing Date and expiring 120 days after the Closing Date; (f) any contracts, licenses, authorizations, agreements or commitments which are not assumed by Buyer pursuant to this Agreement; (g) the Management Agreement; (h) any asset or properties owned or leased by Seller that are not used in the Business; (i) all subscriber deposits and advance payments held by Seller as of the Closing Date in connection with the operation of the Business for which a Purchase Price adjustment is made in Buyer's favor under Section 3.3(b); (j) all claims, rights and interests in and to any refund for federal, state or local franchise, income or other taxes or fees (including, but not limited to copyright fees) of any nature relating to the operation of the Business prior to the Closing Date; (k) the account books of original entry, general ledgers and financial records used in connection with the Business, provided that for a period of three years after the Closing Date, Buyer shall have access to and the right to copy, at its expense, during usual business hours upon reasonable prior notice to Seller, portions of such books and records that are relevant to Buyer's ownership and operation of the System; (1) the retransmission consent agreements relating to the carriage of WMAR, WBAL, WTTG and WJZ; and (in) those properties, rights and interests set forth on Schedule 4.2.

ARTICLE V

5. Representations and Warranties of Seller.

Except with respect to Sections 5.1(b), 5.2(b) and 5.3(c), as to which TCI and the General Partner, severally as to itself only, and not Seller, represent and warrant to Buyer, Seller represents and warrants to Buyer as follows:

5.1 Organization and Qualification. (a) Seller is a limited partnership duly organized, validly existing and in good standing under the laws of the state of Colorado and has all requisite partnership power and authority to own, lease and use the Assets as they are currently owned, leased and used and to conduct the Business as it is currently conducted. Seller is duly qualified or licensed to do business and is in good standing under the laws of each jurisdiction where the Assets are located and the Business is conducted, except any such jurisdiction where the failure to be so qualified or licensed and in good standing would not have a material adverse effect on the validity, binding effect or enforceability of this Agreement, or on the ability of Seller to perform its obligations under this Agreement.

(b) Each of TCI and the General Partner is a corporation or limited partnership, as the case may be, duly organized, validly existing and in good standing under the laws of its state of incorporation or formation.

5.2 Authority and Validity. (a) Seller has full partnership power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby by Seller have been duly and validly authorized by all necessary action on the part of Seller (other than, with respect to the sale of the Assets, the approval of such transaction contemplated by this Agreement by the Limited Partners). The General Partner has taken all necessary action so that it may recommend that the Limited Partners approve the transactions contemplated by this Agreement. This Agreement has been duly and validly executed and delivered by Seller and constitutes a valid and binding obligation of Seller enforceable in accordance with its terms. Except for the approval by the Limited Partners, no further partnership action on the part of Seller is required in connection with the consummation of the transactions contemplated by this Agreement.

(b) Each of TCI and the General Partner has all requisite corporate or partnership, as the case may be, power and authority to execute, deliver and perform its obligations under this Agreement. The execution and delivery by each of TCI and the General Partner of, and the performance by each of TCI and the General Partner of its respective obligations under, this Agreement have been duly authorized by all requisite corporate or partnership action, as the case may be, of TCI and the General Partner, as the case may be, and no other corporate or partnership proceedings, as the case may be, on the part of TCI or the General Partner, as the case may be, are necessary to authorize the execution and delivery of this Agreement or the performance of TCI's or the General Partner's respective obligations hereunder. This Agreement has been duly and validly executed and delivered by each of TCI and the General Partner and constitutes a valid and binding agreement of each of TCI and the General Partner, enforceable in accordance with its terms.

5.3 Consents and Approvals; No Violation. (a) Except for (i) the Consents, (ii) filings, consents or other actions which, if not made or obtained, would not have a material adverse effect on any of the Assets material to the Business, the System, the Business, Seller's ability to perform its obligations under this Agreement or Buyer's ability to conduct the Business after the Closing in substantially the same manner in which it is currently conducted by Seller, (iii) the consent of the Limited Partners with respect to the transactions contemplated by this Agreement and (iv) the Regulatory Requirements, no consent, waiver, action, approval or authorization of, or filing, registration or qualification with, any Person or Governmental Authority is required to be made or obtained by Seller in connection with the execution, delivery and performance of this Agreement by Seller.

(b) Except as set forth on Schedule 5.3(b), the execution, delivery and performance of this Agreement by Seller do not and will not: (a) violate or conflict with any provision of its Certificate of Limited Partnership or the Partnership Agreement; (b) violate any

Legal Requirement; or (c) (i) violate, conflict with or constitute a breach of or default under (without regard to requirements of notice, passage of time or elections of any Person), (ii) permit or result in the termination, suspension or modification of, (iii) result in the acceleration of (or give any Person the right to accelerate) the performance of Seller under, or (iv) result in the creation or imposition of any Encumbrance under, any Seller Contract or any other instrument evidencing any of the Assets or any instrument or other agreement to which Seller is a party or by which Seller or any of its assets is bound or affected, except such violations, conflicts, breaches, defaults, terminations, suspensions, modifications, and accelerations which would not, individually or in the aggregate, have a material adverse effect on the Assets, taken as a whole, the System, the Business, or Seller's ability to perform its obligations under this Agreement or Buyer's ability to conduct the Business after the Closing in substantially the same manner in which it is currently conducted by Seller.

(c) The execution, delivery and performance of this Agreement by each of TCI and the General Partner do not and will not violate or conflict with any provision of TCI's or the General Partner's respective Certificate of Incorporation or By-Laws or Certificate of Limited Partnership or partnership agreement, as the case may be.

5.4 Complete Systems. Except as set forth on Schedule 5.4, the Assets represent all assets, properties, franchises, licenses, permits, consents, certificates, authorities, operating rights, leases, contracts (with the exception of programming contracts and retransmission consents included in the Excluded Assets which Buyer acknowledges may need to be replaced in order for Buyer to continue to operate the Business), agreements, commitments and arrangements owned or used by Seller in the Business and reasonably necessary for the conduct of the Business in the ordinary course in the same manner as that in which the Business is currently conducted by Seller.

5.5 Title. Except as set forth on Schedule 5.5 and for the Permitted Encumbrances, Seller has, and on the Closing Date will have and will transfer to Buyer, good and marketable title to the Assets. The Assets on the Closing Date will be free and clear of all Encumbrances of any kind or nature, other than Permitted Encumbrances.

5.6 Real Property. (a) All the Assets consisting of interests in Real Property that are material to the conduct of the Business are described on Schedule 1.7. Seller has valid leasehold interests in Real Property leased by Seller under written leases or subleases, correct and complete copies of which have been made available to Buyer.

(b) All easements, rights-of-way and other rights which are necessary in any material respect for Seller's current use of any Real Property are valid and in full force and effect, and, since July 1, 1992 and, to the Best of Seller's Knowledge with respect to all periods prior thereto, Seller has not received any written notice with respect to the termination or breach of any of those rights.

(c) Seller has not given or received any written notice of the termination of any lease for Real Property. All leases and subleases pursuant to which any of the Real Property is occupied or used are valid, subsisting, binding and enforceable in accordance with their respective terms and there are no existing defaults thereunder or events that with notice or lapse of time or both would constitute defaults thereunder. To the Best of Seller's Knowledge, subject to the receipt of any necessary Consents, the consummation of the transactions contemplated by this Agreement will not result in any termination of any lease for Real Property.

(d) There is no condemnation, eminent domain, expropriation or similar proceedings pending or, to the Best of Seller's Knowledge, threatened against any of the Real Property which, if adversely determined, would have a material adverse effect on the Assets, the Business or the System.

(e) There are not pending or, to the Best of Seller's Knowledge, threatened, any special assessments or any pending proceedings for changes in the zoning with respect to the Real Property or any part thereof and Seller has not received any notice of the desire of any public authority or other entity to take or use any Real Property or any part thereof. All structures on the Real Property are structurally sound and in good operating condition and repair (reasonable wear and tear excepted). Each parcel of Real Property has access (either direct or by an easement included among the Assets) to all public roads, utilities, and other services necessary for the operation of the System with respect to such parcel. Seller has complied with all notices or orders to correct violations of Legal Requirements issued by any Governmental Authority having jurisdiction against or affecting any of the Real Property.

5.7 Environmental Matters. (a) Except as set forth on Schedule 5.7 and except for any adverse environmental condition(s) which may be identified in any environmental report prepared and delivered pursuant to Section 7.5, to the Best of Seller's Knowledge, Seller's use of the Real Property complies in all material respects with all Environmental Laws. Seller has not received written notice or, to the Best of Seller's Knowledge, oral notice of any claim or investigation based on Environmental Laws which relates to any Real Property or any operations conducted by Seller on such Real Property.

(b) Seller has provided Buyer with complete and correct copies of (i) all studies, reports, samplings, test results, surveys, submissions, correspondence or other materials in the possession of Seller, TCI or any of TCI's direct or indirect wholly-owned subsidiaries relating to the presence or alleged presence of Hazardous Substances at, on or affecting the Real Property, (ii) all notices or other materials in the possession of Seller, or TCI or any of TCI's direct or indirect wholly-owned subsidiaries that were received from any Governmental Authority having the power to administer or enforce any Environmental Laws relating to current or past ownership, use or operation of the Real Property or activities at the Real Property and (iii) all materials in the possession of Seller, TCI or any of TCI's direct or indirect wholly-owned subsidiaries relating to any claim, allegation or action by any private third party under any Environmental Law.

(c) Except for any adverse environmental condition(s) which may be identified in any Phase I environmental report prepared and delivered pursuant to Section 7.5, Seller does not know or have any reason to know of: (i) the presence, release or threatened release of any Hazardous Substances in, on, to, from or under the Real Property; (ii) the use, treatment, storage, disposal or transportation of Hazardous Substance in, on, to, from or under the Real Property; (iii) any judicial or administrative proceedings regarding Hazardous Substances or Environmental Laws in connection with the Real Property or, to the Best of Seller's Knowledge, any threat thereof; or (iv) any other matter relating to Hazardous Substances or threats to public health or the environment in connection with the Real Property.

5.8 Compliance with Law; Governmental Permits. (a) Except as set forth on Schedule 5.8, the ownership, leasing and use of the Assets as they are currently owned, leased and used by Seller and the conduct of the Business as it is currently conducted by Seller, do not violate any Legal Requirement, which violation(s), individually or in the aggregate, reasonably could be expected to have a material adverse effect on the Assets, taken as a whole, the System or the Business. Seller has not received any notice claiming a material violation by Seller or the Business of any Legal Requirement applicable to Seller or the Business as it is currently conducted and, to the Best of Seller's Knowledge, no basis exists for any person to claim that such a violation exists.

(b) Schedule 1.5 lists all Governmental Permits that are material to the conduct of the Business as it is currently conducted by Seller. Complete and correct copies of all such Governmental Permits as currently in effect have been, or prior to Closing will be, made available to Buyer. All such Governmental Permits are currently in full force and effect. There is no action, proceeding or investigation pending or, to the Best of Seller's Knowledge, threatened, relating to the termination, suspension or modification of any such Governmental Permit and Seller is in compliance in all material respects with the terms and conditions of all Governmental Permits and no other Governmental Permits are required in connection with the operation of the Business in the manner in which it is currently conducted by Seller.

(c) The operation of the System has been, and is, in compliance in all material respects with the Communications Act of 1934, as amended (as so amended, the "Communications Act"), and the rules and regulations of the Federal Communications Commission (the "FCC"), except that, as to any rate regulation thereunder (other than with respect to the operation of the System in Unincorporated Sussex County, Delaware) the foregoing is limited to the Best of Seller's Knowledge. Seller has delivered, or prior to Closing will deliver, to Buyer complete and correct copies of all reports and filings for the past three years made or filed pursuant to the Communications Act or FCC rules and regulations with respect to the Business.

(d) To the Best of Seller's Knowledge, the operation of the System has been, and is, in compliance in all material respects with the Cable Television Consumer Protection and Competition Act of 1992 (the "Cable Act"), and the rules and regulations of the FCC promulgated thereunder.

(e) To the Best of Seller's Knowledge, the operation of the System has been, and is, in compliance in all material respects with the Telecommunications Act of 1996 (the "Telecom Act"), and the rules and regulations of the FCC promulgated thereunder.

(f) With the exception of Delaware Public Service Commission, as of the date of this Agreement no Governmental Authority has notified Seller of its application to be certified to regulate rates or its attempt to regulate rates with respect to the System.

(g) The rates charged by the System as of the date of this Agreement are in compliance in all material respects with current FCC rate regulations.

5.9 Seller Contracts. Schedule 1.8 lists each Seller Contract, as of the date of this Agreement, that is (i) material to the conduct of the Business as it is now conducted, (ii) involves annual payments in excess of $l0,000 or (iii) is not terminable without material penalty on 90 days' notice or less. Complete and correct copies of the Seller Contracts as currently in effect have been made available to Buyer. Neither Seller nor, to the Best of Seller's Knowledge, any other party to any Seller Contract is in any material respect in breach of the performance of its obligations under any Seller Contract. Except as set forth on Schedule 5.9, Seller has not received any written notice with respect to termination of any Seller Contract that is material to the conduct of the Business as it is now conducted.

5.10 Copyright Compliance. Seller has deposited with the United States Copyright Office all statements of account and other documents and instruments, and paid all royalties, supplemental royalties, fees and other sums to the United States Copyright Office, required under the Copyright Act with respect to the Business and operations of the System as are required to obtain, hold and maintain the compulsory copyright license for cable television systems prescribed in Section 111 of the Copyright Act and the rules and regulations of the United States Copyright Office promulgated thereunder. Seller and the System are in material compliance with the Copyright Act. Seller and the System are entitled to hold and do now hold the compulsory copyright license described in Section 111 of the Copyright Act, which compulsory copyright license is in full force and effect and has not been revoked, canceled, encumbered or materially adversely affected in any manner. Seller has made available to Buyer complete and correct copies of all reports and filings, and all reports and filings for the past three years, made or filed pursuant to the Copyright Act with respect to the Business. Seller has not received any notice to the effect that the conduct of the Business as currently conducted infringes on the rights of any Person in any copyright or other intellectual property right, except as to potential copyright liability arising from the performance, exhibition or carriage of any music on the System relating to claims made by music licensing organizations (such as ASCAP, BMI and SESAC) that operators of cable television systems are responsible for payment of music performing rights license fees for certain music cablecast on such systems.

5.11 Financial Statements. (a) Seller has delivered to Buyer correct and complete copies of certain financial information for the System for the years ended December 31, 1995 and December 31, 1994 and the nine-month period ended September 30, 1996 (collectively, the "Seller Financial Statements"). Except for the absence of footnote disclosures, cash flow statements and statements of equity and except for estimated, annualized or projected financial information, the Seller Financial Statements fairly present, in all material respects, the results of operations of the System for the respective periods ended on such dates, all in conformity with GAAP consistently applied with full allocations of all costs, expenses and overhead associated with operating the System, and with respect to the Seller Financial Statements for the nine-month period ended September 30, 1996, subject to normal year-end adjustments (none of which are expected to be material in amount). Seller has delivered correct and complete copies of balance sheets and capital expenditure reports for the System as of December 31, 1994, December 31, 1995 and September 30, 1996, each prepared in the ordinary course of business.

(b) Since the latest date of the Seller Financial Statements (i) the Business has been operated only in the ordinary course and (ii) there has been no material adverse change in, and no event has occurred which, so far as reasonably can be foreseen, is likely, individually or in the aggregate, to result in any material adverse change in the results of operations of the Business, other than any change arising out of matters of a general economic nature or matters (including, but not limited to, competition caused by or arising from direct broadcast satellite, the Multichannel Multipoint Distribution Service, legislation, rule making and regulation) affecting the cable television industry (national or regional) in general.

5.12 Legal Proceedings. Except as set forth on Schedule 5.12, and except for any judgments, orders, actions, suits, proceedings or investigations as may affect the cable television industry (national or regional) generally, there is no judgment or order outstanding, or any action, suit, proceeding or investigation by or before any Governmental Authority or any arbitrator pending or, to the Best of Seller's Knowledge, threatened, involving or affecting any of the Assets or the Business which, if adversely determined, would have a material adverse effect on the Assets or the Business or would materially impair the ability of Seller to perform its obligations under this Agreement.

5.13 Employment Matters. (a) Seller does not employ any individuals in connection with the operation of the Business and does not, and is not obligated to, maintain or contribute to any employee benefit plan, as defined in Section 3(3) of ERISA. All individuals managing the operations of the Business are employees of TCI or its Affiliates (other than Seller) (the "Employer"). The Employer is reimbursed for employee-related expenses relating to the operations of the Business by Seller under the Management Agreement or the Partnership Agreement.

(b) To the Best of Seller's Knowledge, Employer has complied in all material respects with all Legal Requirements relating to the employment of labor and those relating to wages, hours, collective bargaining, unemployment compensation, worker's compensation, equal employment opportunity, age and disability discrimination, immigration control and the payment and withholding of taxes with respect to employees of Employer who primarily perform services in connection with the operation of the Business.

(c) Employer is not a party to any contract with any labor organization, and Employer has not recognized or agreed to recognize any union or other collective bargaining unit with respect to employees of Employer who primarily perform services in connection with the operation of the Business. To the Best of Seller's Knowledge after reasonable inquiry of Employer, and except as set forth on Schedule 5.13(c), no union or other collective bargaining unit has been certified as representing any of the employees engaged in the operation of the Business, and, to the Best of Seller's Knowledge after reasonable inquiry of Employer, Employer has not received any request from any party for recognition as a representative of employees engaged in the operation of the Business for collective bargaining purposes. Neither Seller nor Employer is party to any agreement, oral or written, express or implied, that would require Buyer to employ any individual after the Closing Date.

(d) Schedule 5.13(d) sets forth a true and complete list of all individuals employed by Employer who primarily perform services with respect to the operation of the Business together with their position and salary as of the date of this Agreement and their date of hire by Employer. Neither Seller nor Employer is a party to any written employment contract, agreement, commitment or arrangement with any individual identified on Schedule 5.13(d).

(e) Except for those plans described on Schedule 5.13(e) and in the TCI Employee Handbook dated February, 1995 (the "Employer Plans"), which are sponsored by the Employer, or to which the Employer contributes or is obligated to contribute, the employees of Employer who primarily perform services with respect to the operation of the Business do not receive benefits under any bonus, deferred compensation, pension, profit-sharing, retirement, severance pay, insurance, stock purchase, stock option, or other fringe benefit plan, arrangement or practice, or any other employee benefit plan, as defined in Section 3(3) of ERISA.

(f) Seller has not incurred or taken any action, and to the Best of Seller's Knowledge, no action or event has occurred, that could cause Seller to incur any material liability (i) under Section 412 of the Code or Title IV of ERISA with respect to any Employer Plan that is a single-employer plan, within the meaning of Section 4001(a)(15) of ERISA, (ii) on account of a partial or complete withdrawal from any Employer Plan that is a multiemployer plan, within the meaning of Section 3(37) of ERISA, or on account of any unpaid contributions to any such multiemployer plan, or (iii) for any tax or penalty under Section 4975 of the Code or Section 502(i) of ERISA on account of any prohibited transaction, within the meaning of Section 4975 of the Code or Section 406 of ERISA, with respect to any Employer Plan.

5.14 System Information. The number of Equivalent Basic Subscribers served by the System, the number of subscribers served by the System taking Expanded Basic Services and the bandwidth of the System, the approximate number of Homes Passed by the System and the approximate number of miles of plant included in the Assets, each as of June 30, 1996, are as set forth on Schedule 5.14. Approximately twenty-eight percent of miles of plant included in the System are built to at least 450 MHz. As of the date of this Agreement, there are no pending complaints by subscribers or other users of the System.

5.15 Finders and Brokers. Except for its engagement of Daniels & Associates, L.P. to assist Seller in the solicitation of offers to purchase the Assets and except for a disposition fee payable by Seller to an Affiliate pursuant to its Partnership Agreement, Seller has not employed any financial advisor, broker or finder or incurred any liability for any financial advisory, brokerage, finder's or similar fee or commission in connection with the transactions contemplated by this Agreement.

5.16 Tax Matters. Except as set forth on Schedule 5.16, (a) all Tax Returns required to be filed by Seller before the Closing with respect to the Business or the Assets have been or will be filed on or before the Closing and (b) all Taxes shown as due or payable before the Closing on such Tax Returns have been or will be paid when required by law. To the Best of Seller's Knowledge, there are no outstanding deficiencies or assessments of tax, interest or penalties which could be imposed on Buyer or could reasonably be expected to constitute or result in a lien on the Assets in Buyer's hands.

5.17 Inventory. The inventory of the System has been maintained at adequate levels for the operation of the Business (for an ordinary cycle of thirty days) consistent with the past practices of Seller.

5.18 Insurance. Seller has maintained insurance policies in the ordinary course of business which when taken together provide insurance coverage for the Assets and the operations of the Business as is customary for similar businesses similarly situated.

5.19 Accounts Receivable. The Accounts Receivable arose from bona fide transactions in the ordinary course of business and reflect credit terms consistent with the past practices of Seller.

5.20 Restoration. No property of any Person has been damaged, destroyed, disturbed or removed in the process of construction or maintenance of the System, which has not been, or will not be, prior to the Closing, repaired, restored or replaced and as to which an adequate reserve has not been established by Seller.

5.21 Equipment. The Equipment is and will be at Closing in adequate condition and repair to operate the business as currently conducted (reasonable wear and tear excepted).

5.22 Microwave Replacement. As of the date of this Agreement, Seller has completed the replacement of all AML microwave transmissions with fiber plant.

ARTICLE VI

6. Buyer's Representations and Warranties.

Buyer represents and warrants to Seller as follows:

6.1 Organization and Qualification. Buyer is a limited liability company, duly organized, validly existing and in good standing under the laws of its state of formation and has all requisite limited liability company power and authority to carry on its business as currently conducted and to own, lease, use and operate its assets. Buyer is duly qualified or licensed to do business and is in good standing under the laws of each jurisdiction in which the character of the properties owned, leased or operated by it or the nature of the activities conducted by it makes such qualification necessary, except where the failure to be so qualified or licensed and in good standing would not have a material adverse effect on the validity, binding effect or enforceability of this Agreement or the ability of Buyer to perform its respective obligations under this Agreement.

6.2 Authority, and Validity. Buyer has all requisite limited liability company power and authority to execute, deliver and perform its obligations under this Agreement. The execution and delivery by Buyer of, the performance by Buyer of its obligations under, and the consummation by Buyer of the transactions contemplated by, this Agreement have been duly authorized by all requisite limited liability company action of Buyer and no other limited liability company proceedings on the part of Buyer are necessary to authorize the execution and delivery of this Agreement or the performance of Buyer's obligations hereunder. This Agreement has been duly and validly executed and delivered by Buyer and constitutes a valid and binding agreement of Buyer enforceable in accordance with its terms.

6.3 No Breach or Violation. (a) Except for (i) any consents that will be obtained by Buyer or waived on or prior to the Closing Date and are identified on Schedule 6.3(a), (ii) filings and consents which, if not made or obtained, would not have a material adverse effect on Buyer's ability to perform its obligations under this Agreement and (iii) the Regulatory Requirements, no consent, waiver, approval or authorization of, or filing, registration or qualification with, any Governmental Authority is required to be made or obtained by Buyer in connection with the execution, delivery and performance of this Agreement by Buyer.

(b) The execution, delivery and performance of this Agreement by Buyer do not and will not: (a) violate or conflict with any provision of Buyer's Articles of Organization or operating agreement, (b) violate any Legal Requirement; or (c) (i) violate, conflict with or constitute a breach of or default under (without regard to requirements of notice, passage of time or elections of any Person), (ii) permit or result in the termination, suspension or modification of, (iii) result in the acceleration of (or give any Person the right to accelerate) the performance of Buyer under, or (iv) result in the creation or imposition of any Encumbrance under, any material contract, agreement, arrangement, commitment or plan to which Buyer is a party or by which Buyer or any of its assets is bound or affected, except such violations, conflicts, breaches, defaults, terminations, suspensions, modifications and accelerations as would not, individually or in the aggregate, have a material adverse effect on Buyer's ability to perform its obligations under this Agreement.

6.4 Litigation. (a) There are no claims, actions, suits, proceedings or investigations pending or, to the best of Buyer's knowledge, threatened, in any court or before any governmental agency or instrumentality, or before any arbitrator, by or against or affecting or relating to Buyer or any of its Affiliates which, if adversely determined, would restrain or enjoin the consummation of the transactions contemplated by this Agreement or declare unlawful the transactions or events contemplated by this Agreement or cause any of such transactions to be rescinded.

(b) There are no judgments, injunctions, orders or other judicial or administrative mandates outstanding against or affecting Buyer or any of its Affiliates which would materially hinder or delay the consummation of the transactions contemplated by this Agreement.

6.5 Financial Statements. Buyer has delivered to Seller copies of its unaudited financial statements for the period March 12, 1996 through June 30, 1996 ("Buyer Financial Statement"). The Buyer Financial Statement fairly present, in conformity with GAAP consistently applied except as may be noted therein, the assets, liabilities and financial condition of Buyer as of the date thereof and the results of operations and cash flows or changes in financial position, as applicable, of Buyer for the period ended on such date, subject to normal year-end adjustments (none of which are expected to be material in amount), other adjustments noted therein and the absence of footnotes.

6.6 Adequate Financing. Although as of the date of this Agreement Buyer does not have a Commitment, Buyer has no reason to believe that on or prior to June 23, 1997 it will not have received binding commitments pursuant to which one or more lenders or investors will have agreed to loan or contribute to Buyer, all funds necessary to satisfy all its obligations under this Agreement and with respect to the transactions contemplated by this Agreement, including its obligations to purchase the Assets and to pay the Purchase Price to Seller.

6.7 Finders and Brokers. Buyer has not employed any financial advisor, broker or finder or incurred any liability for any financial advisory, brokerage, finder's or similar fee or commission in connection with the transactions contemplated by this Agreement for which Seller will in any way have any liability.

6.8 Qualification of Buyer. Buyer knows of no reason why it cannot be the transferee of the assignable licenses and permits from Seller necessary for it to own and operate the Business in the manner in which it is currently conducted by Seller.

ARTICLE VII

7. Additional Covenants.

7.1 Access to Premises and Records. Between the date of execution and delivery of this Agreement and the Closing Date, Seller will give Buyer and its representatives (including its auditors, accountants, lenders and potential investors), during normal business hours and with reasonable prior notice, access to the books and records of the Business, the Assets, the manager of the System and the employees of Employer listed on Schedule 5.13(d) and will furnish to Buyer and its representatives such information regarding the Business and the Assets as Buyer may from time to time reasonably request; provided, that Buyer shall have access to the employees of Employer listed on Schedule 5.13(d), other than the manager of the System, solely for purposes of determining which employees Buyer intends to offer employment as of the Closing Date.

7.2 Continuity and Maintenance of Operations; Financial Statements. Except as to actions which Buyer has been advised and to which it has consented in writing and except as specifically permitted or required by this Agreement or required by any Legal Requirement, Seller shall:

(a) Operate the Business in the ordinary course consistent with past practices and will use commercially reasonable efforts to cause Employer to keep available the services of the employees of the Employer who are primarily involved in the operation of the Business and to preserve any beneficial business relationships with customers, suppliers and others having business dealings with Seller relating to the Business;

(b) Maintain the Assets in adequate condition to operate the Business as currently conducted, subject to normal wear and tear, consistent with past practice;

(c) Maintain adequate inventories of spare Equipment consistent with past practice;

(d) Maintain all bonds and insurance as in effect on the date of this Agreement;

(e) Keep all of its business books, records and files in the ordinary course of business in accordance with past practices;

(f) Continue to implement its procedures for disconnection and discontinuance of service to subscribers whose accounts are delinquent in accordance with those in effect on the date of this Agreement;

(g) Not sell, transfer or assign any Assets other than in the ordinary course of business;

(h) Use commercially reasonable efforts not to permit any material amendment to, or cancellation of, any of the Governmental Permits or Seller Contracts;

(i) Not enter into any contract or commitment for the acquisition of goods or services relating to the System or the Business involving an expenditure (i) less than or equal to $40,000 other than in the ordinary course of business consistent with past practice or (ii) in excess of $40,000 without Buyer's written consent which may not be unreasonably withheld; provided, that Buyer shall be deemed to have consented thereto if Buyer has not given Seller written notice of its refusal to give consent, setting forth the reason for such refusal, within five Business Days of Buyer's receipt of Seller's written request for consent;

(j) Not take or omit to take any action that would cause Seller to be in breach of any of its representations or warranties in this Agreement in any material respect, provided, however, that the foregoing shall not preclude Seller from engaging a financial advisor to render an opinion as to the fairness, from a financial point of view, of the transactions contemplated by this Agreement;

(k) Pay, consistent with past practice, all accounts payable and other debts, liabilities and obligations of the System and the Business;

(1) Report and write off Accounts Receivable in accordance with past practices;

(m) Not create, assume or permit to exist any Encumbrance (other than Permitted Encumbrances);

(n) Comply in all material respects with all applicable Legal Requirements;

(o) Maintain service quality of the Business at a level at least consistent with past practices.

(p) Use commercially reasonable efforts to cause Employer not to increase the compensation or change any benefits available to employees who work in the Business except as required pursuant to existing written agreements or except in the ordinary course of business consistent with past practice;

(q) Use commercially reasonable efforts to cause Employer to withhold and pay when due all Taxes relating to the employees of the Business and shall withhold and pay when due all Taxes relating to the Assets, the Business and/or the System;

(r) File with the FCC all reports required to be filed under applicable FCC rules and regulations, and otherwise comply with all Legal Requirements with respect to the System; and

(s) Not implement any new marketing program, policy or practices, or implement any rate change, retiering or repackaging, except in the ordinary course of business consistent with past practices.

Seller shall deliver to Buyer, promptly after such statements and reports become available to Seller, correct and complete copies of unaudited monthly and quarterly income statements and operating reports for the Business that are prepared by or for Seller at any time between the date of this Agreement and the Closing; provided, that Seller shall not be required to make and shall not be deemed to make any representation or warranty concerning the accuracy of the contents of any such information delivered to Buyer.

Seller shall deliver to Buyer, promptly after execution thereof, correct and complete copies of each Seller Contract entered into by Seller after the date of this Agreement; upon such delivery each such agreement which has been entered into by Seller in compliance with the provisions of Section 7.2(i) shall be deemed to be included on Schedule 1.8 for all purposes of this Agreement; provided, however, that any contract or commitment for which Buyer's consent is required pursuant to Section 7.2(i) shall not be deemed to be included on Schedule 1.8 if Buyer has reasonably withheld its consent thereto.

Buyer shall deliver to Seller promptly after such statements and reports become available to Buyer, correct and complete copies of Buyer's audited financial statements for the fiscal year ended December 31, 1996, which statements and the notes thereto shall fairly present the assets, liabilities and financial condition of Buyer as of the date thereof and the results of operations and cash flows or changes in financial position, as applicable, of Buyer for the period ended on such date, all in conformity with GAAP consistently applied, except as may be noted therein. Unless the Closing occurs on or before June 30, 1997, Buyer shall deliver to Seller promptly when available correct and complete copies of Buyer's unaudited financial statements for the three-months ended March 30, 1997 and each fiscal quarter thereafter which are available prior to Closing, which statements and the notes thereto shall fairly present the assets, liabilities and financial condition of Buyer as of the date thereof and the results of operations and cash flows or changes in financial position, as applicable, of Buyer for the period ended on such date, all in conformity with GAAP consistently applied, except as may be noted therein.

7.3 Employee Matters. (a) Buyer may offer employment upon such terms and conditions of employment as Buyer may establish, to certain of the employees of Employer who primarily perform services with respect to the operation of the Business as of the Closing Date; provided, that if, prior to the date which is 180 days after the Closing Date, Buyer terminates the employment of any employee listed on Schedule 5.13(d) employed by Buyer as of the Closing Date other than "for cause" as described in the Summary Plan Description of Telecommunications Inc. Severance Pay Plan effective July 1, 1996 (the "Severance Plan"), Buyer shall pay to such terminated employee the severance benefit payments which such employee would have been entitled to receive had it been terminated by Employer as of the Closing Date in an amount and upon such terms as set forth in the Severance Plan (but in no event more than six months' severance benefits for any employee); provided, further, Buyer shall not be required to make any such severance payments with respect to any employee who is hired by TCI or any of its direct or indirect wholly-owned subsidiaries (including Employer) within 45 Business Days of his termination of employment by Buyer. Not later than March 24, 1997, Buyer shall deliver to Seller a notice containing the names of employees of the Business to whom Buyer intends to offer employment on the Closing Date (the "Employee List"); provided, that (i) if the Closing has not occurred, Buyer may deliver to Seller a notice updating the Employee List on the date which is 150 days after the date of this Agreement and (ii) if the Termination Date is extended by Seller, Buyer may deliver to Seller a notice no later than 60 Business Days prior to the extended Termination Date updating the Employee List; provided, however, that any notice delivered by Buyer updating the Employee List shall not be deemed effective if the Closing occurs fewer than 60 Business Days after delivery to Seller of such updated Employee List. TCI shall cause Employer to terminate the employment of all such employees hired by Buyer as of the Adjustment Time. Seller shall undertake to provide to all affected employees and any other necessary persons any notice that may be required under the WARN Act. Except as provided herein, Employer shall retain all liabilities arising prior to the Adjustment Time relating to employees, including severance obligations.

(b) For the period commencing on the date of this Agreement and expiring on the date which is 180 days after the Closing Date, TCI shall not, and shall cause its direct and indirect wholly-owned subsidiaries including Employer not to, solicit, or offer employment to, any employee of Employer set forth on Schedule 5.13(d) who primarily performs services with respect to the operation of the Business as of the date of this Agreement; provided, however, that after the Closing Date, each of TCI and its direct and indirect wholly-owned subsidiaries including Employer may hire any such employee that Buyer does not employ as of the Closing Date or whose employment Buyer terminates after the Closing Date.

(c) Nothing in this Section 7.3 or elsewhere in this Agreement is intended to confer upon any employee of Employer or his or her legal representative or heirs any rights as a third party beneficiary or otherwise or any remedies of any nature or kind whatsoever under or by reason of this Agreement, or the transactions contemplated hereby, including, but not limited to, any rights of employment or continued employment. All rights and obligations created by this Agreement are solely between the parties hereto.

7.4 Franchise Extensions. Seller covenants and agrees that, as soon as practicable following the execution of this Agreement, it will apply to the applicable Governmental Authority for an extension (the "Extensions") of each franchise described on Schedule 1.5 with an expiration date prior to June 30, 2000. Each such Extension shall have an expiration date no earlier than June 30, 2000 and shall otherwise be on substantially the terms and conditions of the current franchises, subject to modifications customarily imposed by Governmental Authorities, but which shall not impose any conditions or obligations which are materially more burdensome than contained in the current franchise.

7.5 Environmental Report. (a) Buyer may cause to be prepared and delivered at its expense within 60 days after the date of this Agreement, a Phase I environmental report for the Real Property. Seller shall cooperate with Buyer and permit access to such Real Property during normal business hours in order for Buyer or its representatives to inspect such property and the related environmental records in the possession of Seller, as necessary for the preparation of the Phase I environmental report. Buyer shall deliver to Seller a copy of any such environmental report within five Business Days of receipt of such report by Buyer. If such environmental report discloses one or more adverse environmental conditions which require remediation under applicable Environmental Law, Seller shall assume full responsibility for remediation of each such environmental condition(s) to the extent required by applicable Environmental Law (the "Remediation") and shall bear all expenses incurred in connection therewith; provided, that Seller shall not be obligated to spend more than $200,000 in connection with the Remediation. Buyer shall give Seller notice confirming that Buyer has delivered to Seller all environmental reports to be prepared pursuant to this Section 7.5, and Seller shall notify Buyer within twenty Business Days after its receipt of such notice if Seller concludes, in its reasonable judgment, that it is or will be unable to complete the Remediation for $200,000 or less (the "Remediation Notice"). If Seller gives a Remediation Notice, then Buyer may terminate this Agreement pursuant to Section 10.1 (c)(vii) by notice to Seller given within five Business Days of the Remediation Notice; provided, that if within five Business Days after receipt by Seller of Buyer's notice of termination pursuant to Section 10. l(c)(vii), Seller gives notice to Buyer that Seller agrees to bear all costs of Remediation in excess of $200,000, such termination shall be void ab initio and this Agreement shall be deemed not to have been terminated. If Buyer does not terminate this Agreement pursuant to Section 10.1 (c)(vii) within such five Business Day period, (i) Buyer shall be deemed to have assumed all liabilities and obligations in connection with the Remediation as of the Closing Date, (ii) Buyer shall receive a credit at the Closing in the amount of $200,000 less the aggregate of all amounts paid by Seller to third parties in connection with the Remediation and (iii) after the Closing Date Seller shall have no obligation or liability with respect to the Remediation or otherwise in connection with any condition referred to in any report prepared and/or delivered pursuant to this Section 7.5.

(b) If Seller concludes, in its reasonable judgment, that the cost of the Remediation will not exceed $200,000 or Seller agrees to bear any costs of Remediation in excess of $200,000, then Seller shall have the sole right to direct the Remediation; provided, that if Buyer agrees to bear any costs of Remediation in excess of $200,000, then from and after the Closing Buyer may assume responsibility for overseeing the Remediation.

(c) In the event that Seller assumes full responsibility for the Remediation and such Remediation has not been completed prior to the Closing, then from and after the Closing and until Seller and Buyer shall have agreed that Remediation has been completed, Buyer shall cooperate with Seller and permit access to the Real Property to Seller and its representatives during normal business hours in order for the Remediation to be completed.

7.6 Consents. Seller will use commercially reasonable efforts to obtain, as soon as practicable and at its expense, all the Consents and the Extensions, in form and substance reasonably satisfactory to Buyer; provided, that "commercially reasonable efforts" for purposes of this Section 7.6 shall not require Seller or Buyer to undertake extraordinary or unreasonable measures to obtain such approvals and consents, including, but not limited to, the initiation or prosecution of legal proceedings or the payment of fees in excess of normal and usual filing and processing fees. Concurrently with the execution and delivery of this Agreement, Buyer is delivering to Seller "highly confident" letters of Chase Manhattan Bank, N.A. with respect to Buyer's equity and its debt financing and after the date hereof shall deliver to Seller such other materials requested by Seller appropriate for Seller to use in connection with seeking the Consents and the Extensions. Buyer will use commercially reasonable efforts to assist Seller in its efforts to obtain all the Consents and the Extensions, and in connection therewith will consent to such modifications to any agreement that is the subject of the Ocean Pines Consent, Tunnell Properties Consent, Sea Colony Consent or Angola Consent or any Governmental Permit that Ocean Pines Association, Inc. (or its successor), Pot Nets, Inc. (or its successor), Carl M. Freeman Associates Inc., as successor to Sea Colony, Inc. (or its successor), Angola-by-the-Bay Property Owners Association Inc. (or its successor) or a Governmental Authority, as the case may be, may request as a condition to (i) the transfer of such agreement or Governmental Permit to Buyer and/or (ii) obtaining extension of the term of such Governmental Permit, provided, however, that Buyer will not be required to agree to any modifications to a Governmental Permit unless they are customarily imposed by Governmental Authorities issuing cable television franchises as a condition to obtaining the consent to the transfer of such franchises and do not impose upon Buyer any conditions or obligations which are materially more burdensome than are presently contained in any such Governmental Permit; and provided, further, that Buyer will not be required to agree to any modifications to any agreement that is the subject of the Ocean Pines Consent, Tunnell Properties Consent, Sea Colony Consent or Angola Consent that will impose upon Buyer any conditions or obligations which are materially more burdensome than presently contained in any such agreement, provided, that any change in rates charged for Basic Services contained in the Sea Colony Consent which is reflected in a purchase price adjustment pursuant to Section 3.3 shall not be deemed to be a condition or obligation which is materially more burdensome.

7.7 HSR Notification. As soon as practicable after the execution of this Agreement and if required by applicable Legal Requirements, Seller and Buyer will each complete and file, or cause to be completed and filed, any notification and report required to be filed under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"). Each of the parties will take any additional action that may be necessary, proper or advisable, will cooperate to prevent inconsistencies between their respective filings and will furnish to each other such necessary information and reasonable assistance as the other may reasonably request in connection with its preparation of necessary filings or submissions under the HSR Act. Buyer and Seller shall use commercially reasonable efforts (including the filing of a request for early termination) to obtain the early termination of the waiting period under the HSR Act.

7.8 Notification of Certain Matters. Each party will promptly notify the other of any fact, event, circumstance or action the existence or occurrence of which would cause any of such party's representations or warranties under this Agreement not to be true in any material respect.

7.9 Risk of Loss; Condemnation. (a) Seller will bear the risk of any loss or damage to the Assets resulting from fire, theft or other casualty (except reasonable wear and tear) at all times prior to the Closing. If any such loss or damage is so substantial as to prevent normal operation of any material portion of the System, Seller shall promptly notify Buyer of that fact and Buyer, at any time within 10 days after receipt of such notice, may elect by written notice to Seller either (i) to waive such defect and proceed toward consummation of the acquisition of the Assets in accordance with this Agreement or (ii) to terminate this Agreement pursuant to Section 10.1(c)(v). If Buyer elects to consummate the acquisition of the Assets notwithstanding such loss or damage and does so, there will be no adjustment in the Purchase Price on account of such loss or damage but all insurance proceeds payable as a result of the occurrence of the event resulting in such loss or damage (to the extent not previously applied by Seller with respect to such loss or damage) will be delivered by Seller to Buyer or the rights to such proceeds will be assigned by Seller to Buyer if not yet paid over to Seller.

(b) If, prior to the Closing, any part of a material Asset or an interest in a material Asset is taken or condemned as a result of the exercise of the power of eminent domain, or if a Governmental Authority having such power informs Seller or Buyer that it intends to condemn all or any part of a material Asset (such event being referred to, in either case, as a "Taking"), then Buyer may terminate this Agreement pursuant to Section l0.1(c)(vi). If Buyer does not elect to terminate this Agreement then (a) if the Closing occurs, Buyer shall have the sole right, in the name of Seller, if Buyer so elects, to negotiate for, claim, contest and receive all damages with respect to the Taking, (b) Seller shall be relieved of its obligation to convey to Buyer the Asset or interests that are the subject of the Taking and (c) at the Closing Seller shall assign to Buyer all of Seller's rights (including the right to receive payment of damage) with respect to such Taking and shall pay to Buyer all damages previously paid to Seller with respect to the Taking.

7.10 Adverse Changes. Seller shall promptly notify Buyer in writing of any materially adverse developments affecting the Assets, the System or the Business which become known to Seller, including, but not limited to, (i) any damage, destruction or loss (whether or not covered by insurance) materially and adversely affecting any of the Assets, the System or the Business, (ii) any notice of violation, forfeiture or complaint under any material Governmental Permits or (iii) anything which, if not corrected prior to the Closing Date, will prevent Seller from fulfilling any condition to Closing described in Article VIII.

7.11 Action by Limited Partners. (a) If required by applicable Legal Requirements and the Partnership Agreement to consummate the transactions contemplated by this Agreement, or if the Seller otherwise elects to do so, the Seller, acting through the General Partner, shall in accordance with the applicable Legal Requirements and the Partnership Agreement: (i) within a reasonable period of time (as determined by the General Partner) after the execution and delivery of this Agreement, duly call, give notice of, convene and hold a special meeting (the "Special Meeting") of the Limited Partners for the purpose of approving the transactions contemplated by this Agreement; and (ii) subject to its fiduciary duties (as determined by the General Partner after consultation with independent counsel), include in any proxy statement the determination and recommendation of the General Partner to the effect that the General Partner, having determined that this Agreement and the transactions contemplated hereby are in the best interests of Seller and the Limited Partners, has approved this Agreement and such transactions and recommends that the Limited Partners vote in favor of the sale of the Assets to Buyer pursuant to this Agreement.

(b) As soon as practicable after the execution and delivery of this Agreement, Seller shall file with the SEC under the Exchange Act, and shall use commercially reasonable efforts to clear with the SEC and mail to the Limited Partners no later than February 15, 1997, a proxy statement with respect to the Special Meeting (the "Proxy Statement"). Buyer shall furnish to Seller the information relating to Buyer as reasonably requested by Seller required by the Exchange Act to be set forth in the Proxy Statement. Seller agrees that the Proxy Statement shall comply in all material respects with the Exchange Act and the rules and regulations thereunder; provided, however, that no agreement is made by Seller with respect to information supplied by Buyer expressly for inclusion in the Proxy Statement. Buyer and its counsel shall be given a reasonable opportunity to review the Proxy Statement prior to the filing of the definitive Proxy Statement with the SEC.

7.12 No Solicitation. (a) Each of Seller and the General Partner shall not, and shall cause its respective employees, agents and representatives (including, but not limited to, any investment banker, attorney or accountant retained by Seller) not to, initiate, solicit or encourage, directly or indirectly, any inquiries or the making of any proposal with respect to any Alternative Transaction, engage in any negotiations concerning, or provide to any other Person any information or data relating to, the Business, the System, the Assets or Seller for the purposes of, or have any discussions with any Person relating to, or otherwise cooperate in any way with or assist or participate in, facilitate or encourage, any inquiries or the making of any proposal which constitutes, or may reasonably be expected to lead to, any effort or attempt by any other Person to seek or to effect an Alternative Transaction, or agree to or endorse any Alternative Transaction; provided, however, that nothing contained in this Section 7.12 shall prohibit Seller or the General Partner from making any disclosure to the Limited Partners that, in the judgment of the General Partner based upon the advice of independent counsel, is required under applicable Legal Requirements; and provided, further, that (i) Seller or the General Partner may, upon the unsolicited request of a third party, furnish information or data (including, but not limited to, confidential information or data) relating to the Business, the System, the Assets or Seller for the purposes of facilitating an Alternative Transaction and participate in negotiations with a Person making (or who may reasonably be expected to make) an unsolicited proposal regarding an Alternative Transaction and (ii) following receipt of a proposal for an Alternative Transaction, Seller or the General Partner may terminate this Agreement pursuant to Section 10.1(b)(ii).

(b) TCI shall not, and shall cause its Affiliates which it controls not to, make a proposal to Seller regarding an Alternative Transaction. The restriction set forth in this Section 7.12(b) shall terminate on the earlier of (i) the Closing or (ii) termination of this Agreement.

7.13 Sales and Transfer Taxes and Fees. Buyer and Seller shall each pay 50 percent of any state or local sales, use, transfer, excise, documentary or license taxes or fees or any other charge (including filing fees) imposed by any Governmental Authority as a consequence of the transfer of any Assets pursuant to this Agreement. Seller shall timely file any sales tax returns required to be filed with any Governmental Authority as a consequence of the transfer of any Assets pursuant to this Agreement. Buyer shall cooperate as reasonably requested in the preparation and filing of any submission or application necessary to obtain any clearance relating to, or, if available, exemption from, any Taxes or fees described in this Section 7.13.

7.14 Commercially Reasonable Efforts. (a) Seller shall use commercially reasonable efforts to take all steps within its power, and will cooperate with Buyer, to cause to be fulfilled those of the conditions to Buyer's obligations to consummate the transactions contemplated by this Agreement that are dependent upon its actions, and to execute and deliver such instruments and take such other reasonable actions as may be necessary or appropriate in order to carry out the intent of this Agreement and consummate the transactions contemplated hereby.

(b) Buyer shall use commercially reasonable efforts to take all steps within its power, and will cooperate with Seller, to cause to be fulfilled those of the conditions to Seller's obligations to consummate the transactions contemplated by this Agreement that are dependent upon its actions and to execute and deliver such instruments and take such other reasonable actions as may be necessary or appropriate in order to carry out the intent of this Agreement and consummate the transactions contemplated hereby.

7.15 Title Insurance. Seller shall cooperate with Buyer if Buyer elects to obtain title insurance policies on any Real Property owned in fee or leased. Buyer shall have the sole responsibility for obtaining and paying for such policies. The parties agree that the obtaining of title insurance on any Real Property shall not be a condition to the obligation of Buyer to consummate the transactions contemplated hereby.

7.16 Non-Competition. For the period commencing on the Closing Date and expiring on the fifth anniversary thereof, each of Seller, the General Partner and TCI hereby covenants and agrees that it shall not, and TCI hereby covenants and agrees that it shall cause its direct and indirect wholly-owned subsidiaries not to, directly or indirectly, compete with Buyer in the provision of terrestrial cable television video services by means of cable, microwave, fiber optics, satellite receivers or broadcasts all of which being directed to the delivery of terrestrial cable television video services to businesses, residences, multi-family dwellings, hotels, motels, trailers and other users, in any Service Area in which the Business operates on the Closing Date. For the period commencing on the Closing Date and expiring on the fifth anniversary thereof, each of Seller, the General Partner and TCI further covenants that it shall not, and TCI further covenants that it shall cause its direct and indirect wholly-owned subsidiaries not to, directly or indirectly, manage, operate, join, control, participate, or become interested in, or be connected with (as a consultant, partner, stockholder or investor) any such terrestrial cable television video service that would compete with Buyer in the provision of cable television service within any portion of the geographical area described above, except as a passive investor or stockholder holding less than five percent of the outstanding voting stock or equity interest in any corporation or other entity.

7.17 Financing Commitment. No later than June 23, 1997, Buyer shall have obtained, and delivered to Seller a true and correct copy of, a commitment (in form and substance satisfactory to Seller in its reasonable judgment) of a reputable financial institution to provide to Buyer the funds necessary (at any time to and including December 19, 1997) which together with Buyer's then existing resources enable it to satisfy all of Buyer's obligations under this Agreement and with respect to the transactions contemplated by this Agreement, including its obligation to purchase the Assets and to pay the Purchase Price, with funding subject only to (a) the satisfaction of the conditions to Closing set forth in Article VIII, (b) there having occurred no Material Adverse Change in the Financial Markets after the date of such commitment and (c) there having occurred no material adverse change in the financial condition of Buyer after the date of such commitment (the "Commitment"). Without limiting the foregoing, the Commitment shall not be subject to any condition with respect to equity funding (except a condition, if any, which such financial institution has confirmed, in writing to Seller, has been satisfied prior to the Initial Termination Date).

7.18 Forms 394. Unless Seller and Buyer agree to waive filing of Forms 394 with respect to a Governmental Authority, (i) within 15 Business Days after the date of this Agreement, Seller shall deliver to Buyer all information available to Seller necessary for Buyer to prepare Forms 394 and (ii) within 15 Business Days after the necessary information has been supplied by Seller, Buyer shall prepare, in form and substance reasonably satisfactory to Seller, and Seller shall file, Forms 394 with the applicable Governmental Authorities.

7.19 UCC Lien and Judgment Searches. Seller shall deliver to Buyer a copy of all UCC lien and judgment searches which Seller has obtained and any bringdowns thereto which Seller may obtain prior to Closing in connection with the transactions contemplated by this Agreement.

7.20 Seller Financial Statements. Seller agrees that from and after the date of this Agreement it shall, at Buyer's cost and expense (i) use its commercially reasonable efforts to make promptly available to Buyer, upon Buyer's request, such financial statements, financial statement schedules and other financial information relating to the System and the Business, in form and substance reasonably satisfactory to Seller and Buyer, which Buyer may be required to include in any registration statement, report or other document which Buyer may file with the SEC or any applicable state securities commission, and shall direct KPMG Peat Marwick to cooperate in connection therewith and (ii) use its commercially reasonable efforts to obtain promptly for Buyer, upon Buyer's request, any consent, report, opinion or letter of KPMG Peat Marwick, in form and substance reasonably satisfactory to Seller and Buyer, required to be filed by Buyer under applicable regulations of the SEC or any applicable state securities commission in connection therewith.

7.21 Ad Insertion Agreement. No later than 90 days after the date of this Agreement, Buyer shall give Seller written notice of whether it intends to assume the Letter Agreement, dated February 1, 1994, between TCI Cablevision of Eastern Shore and American Cable Television of Lower Delaware (the "Ad Insertion Agreement").

ARTICLE VIII

8. Conditions Precedent to Obligations of Buyer.

The obligations of Buyer under this Agreement are subject to the satisfaction at or prior to the Closing of each of the following conditions, any one or more of which may be waived by Buyer, in its sole discretion.

8.1 HSR Act. If required under applicable Legal Requirements, all filings required under the HSR Act shall have been made and the applicable waiting period shall have expired or been earlier terminated without the receipt of any objection or the commencement or threat of any litigation by a Governmental Authority of competent jurisdiction to restrain the consummation of the transactions contemplated by this Agreement.

8.2 Governmental or Legal Action. No action, suit or proceeding shall be pending or threatened by any Governmental Authority and no Legal Requirement shall have been enacted, promulgated or issued or deemed applicable to any of the transactions contemplated by this Agreement by any Governmental Authority that would (a) prohibit Buyer's ownership or operation of all or a material portion of the System, the Business or the Assets or (b) prevent or make illegal the consummation of the transactions contemplated by this Agreement.

8.3 Accuracy of Representations and Warranties. The representations and warranties of Seller contained in this Agreement shall be true and correct in all material respects as of the date of this Agreement and as of the Closing Date, with the same effect as though made on and as of the Closing Date, except for such changes permitted or contemplated by the terms of this Agreement and except insofar as any of such representations and warranties relate solely to a particular date or period, in which case they shall be true and correct in all material respects on such Closing Date with respect to such date and period.

8.4 Performance of Agreements. Seller shall have performed in all material respects all obligations and agreements and complied, or caused to be complied with, all covenants and conditions required by this Agreement to be performed or complied with by Seller at or prior to the Closing Date.

8.5 No Material Adverse Change. During the period from the date of this Agreement through and including the Closing Date, there shall not have occurred any material adverse change in the business, financial condition or operations of the Assets, taken as a whole, the System or the Business, other than any change arising out of matters of a general economic nature or matters (including, but not limited to, competition caused by or arising from the Multichannel Multipoint Distribution Service, direct broadcast satellite, legislation, rule making and regulation) affecting the cable television industry (national or regional) generally, and Seller shall not have sustained any material loss or damage to the Assets or the System, whether or not insured, that materially affects the ability of Seller to conduct the Business in a manner consistent with past practice.

8.6 Consents and Extensions. Seller shall have delivered to Buyer evidence, in form and substance reasonably satisfactory to Buyer, that all the Required Consents and Extensions have been obtained or given.

8.7 Transfer Documents. Seller shall have delivered to Buyer customary bills of sale, deeds, assignments and other instruments of transfer sufficient to convey good and marketable title to the Assets in accordance with the terms of this Agreement, in form and substance reasonably satisfactory to Buyer.

8.8 Opinions of Seller's Counsel. Buyer shall have received the opinion or opinions of Kaye, Scholer, Fierman, Hays & Handler, LLP, counsel for Seller, dated the Closing Date, substantially in the form of Exhibit D.

8.9 Discharge of Liens. Seller shall have secured the termination or removal of all Encumbrances of any nature on the Assets, other than Permitted Encumbrances.

8.10 Extension of Ad Insertion Agreement. In the event that Buyer gives notice to Seller in accordance with Section 7.21 of its intention to assume the Ad Insertion Agreement, such agreement shall have been extended on terms similar to those contained in the existing agreement for a period of one year from the Closing Date.

8.11 Opinion of Seller's FCC Counsel. Buyer shall have received the opinion of Cole, Raywid & Braverman, FCC counsel for Seller, dated the Closing Date, substantially in the form of Exhibit F.

8.12 Additional Documents and Acts. Seller shall have delivered or caused to be delivered to Buyer all other documents required to be delivered pursuant to this Agreement and done or caused to be done all other acts or things reasonably requested by Buyer to evidence compliance with the conditions set forth in this Article VIII.

8.13 Certificates. Seller shall have furnished Buyer with such other certificates of Seller and others, dated as of the Closing Date, to evidence compliance with the conditions set forth in this Article VIII, as may be reasonably requested by Buyer.

ARTICLE IX

9. Conditions Precedent to Obligations of Seller.

The obligations of Seller under the Agreement are subject to the satisfaction, at or prior to the Closing Date, of each of the following conditions, any one or more of which may be waived by Seller in its sole discretion.

9.1 HSR Act. If required under applicable Legal Requirements, all filings required under the HSR Act shall have been made and the applicable waiting period shall have expired or been earlier terminated without the receipt of any objection or the commencement or threat of any litigation by a Governmental Authority of competent jurisdiction to restrain the consummation of the transactions contemplated by this Agreement.

9.2 Governmental or Legal Actions. No action, suit or proceeding shall be pending or threatened by any Governmental Authority and no Legal Requirement shall have been enacted, promulgated or issued or deemed applicable to any of the transactions contemplated by this Agreement by any Governmental Authority that would (a) prohibit Buyer's ownership or operation of all or any material portion of the System, the Business or the Assets or (b) prevent or make illegal the consummation of the transactions contemplated by this Agreement.

9.3 Accuracy of Representations and Warranties. The representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects as of the date of this Agreement and as of the Closing Date, with the same effect as though made on and as of the Closing Date, except for such changes permitted or contemplated by the terms of this Agreement and except insofar as any of such representations and warranties relate solely to a particular date or period, in which case they shall be true and correct in all material respects on such Closing Date with respect to such date and period.

9.4 Performance of Agreements. Buyer shall have performed in all material respects all obligations and agreements and complied, or caused to be complied with, all covenants and conditions required by this Agreement to be performed or complied with by Buyer at or prior to the Closing Date.

9.5 Consents. All Required Consents shall have been obtained or given.

9.6 Opinions of Buyer's Counsel. Seller shall have received the opinion or opinions of Cooperman Levitt Winikoff Lester & Newman, P.C., outside counsel for Buyer, dated the Closing Date, substantially in the form of Exhibit E.

9.7 Limited Partner Approval. The transactions contemplated by this Agreement shall have been approved by the affirmative vote of or consent by the Limited

Partners to the extent required by the Partnership Agreement or if Seller otherwise elects as permitted by Section 7.11.

9.8 Payment of Purchase Price. Buyer shall have paid to Seller the Purchase Price as set forth in Section 3.1.

9.9 Assumption of Liabilities. Buyer shall have delivered to Seller a customary assumption of liabilities agreement in form and substance reasonably acceptable to Buyer and Seller which is sufficient to cover Buyer's obligations as set forth in Section 4.1.

9.10 Closing of Another System. In the event that, subsequent to the date of this Agreement but prior to the Closing Date, Seller and Buyer enter into an agreement for the sale by Seller of any cable television system to Buyer other than the System, the closing of the sale of such other system shall have occurred or shall occur contemporaneously with the Closing hereunder.

9.11 Additional Documents and Acts. Buyer shall have delivered or caused to be delivered to Seller all other documents required to be delivered pursuant to this Agreement and done all other acts or things reasonably requested by Seller to evidence compliance with the conditions set forth in this Article IX.

9.12 Certificates. Buyer shall have furnished Seller with such other certificates of Buyer and others, dated as of the Closing Date, to evidence compliance with the conditions set forth in this Article IX, as may be reasonably requested by Seller.

9.13 Fairness Opinion. Seller shall have received an opinion, in form and substance reasonably satisfactory to Seller, from its financial advisors as to the fairness, from a financial point of view, of the transactions contemplated by this Agreement.

ARTICLE X

10. Termination.

10.1 Events of Termination. This Agreement and the transactions contemplated by this Agreement may be terminated at any time prior to the Closing:

(a) by the mutual written consent of Buyer and Seller;

(b) by Seller:

(i) if the consummation of the transactions contemplated by this Agreement by Seller would violate any nonappealable final order, decree or judgment of any Governmental Authority having competent jurisdiction;

(ii) following receipt by Seller or the General Partner of an unsolicited proposal for an Alternative Transaction to the extent that the General Partner determines in good faith on the basis of advice of independent counsel that such action is necessary or appropriate in order for the General Partner to act in a manner that is consistent with its fiduciary obligations under applicable law;

(iii) if any representation or warranty of Buyer made herein is untrue in any material respect (other than a change permitted or contemplated by this Agreement) and such breach is not cured within 10 days of Buyer's receipt of a notice from Seller that such breach exists or has occurred;

(iv) if Buyer shall have defaulted in any material respect in the performance of any material obligation under this Agreement and such breach is not cured within 30 days of Buyer's receipt of a notice from Seller that such default exists or has occurred;

(v) if the conditions to Seller's obligations to consummate the Closing as set forth in Article IX cannot reasonably be satisfied on or before the Termination Date;

(vi) on any date from June 23, 1997 to and including the Initial Termination Date, if Buyer has not obtained the Commitment required by Section 7.17, and at any time thereafter if the Commitment is terminated; or

(vii) within five Business Days of the date which is 60 days from the date of this Agreement, if Seller has not obtained the Ocean Pines Consent, or within five Business Days the date which is 90 days from the date of this Agreement, if Seller has not obtained the Ocean Pines Consent.

(c) by Buyer:

(i) if the consummation of the transactions contemplated by this Agreement by Buyer would violate any nonappealable final order, decree or judgment of any Governmental Authority having competent jurisdiction;

(ii) if any representation or warranty of Seller made herein is untrue in any material respect (other than due to a change permitted or contemplated by this Agreement) and such breach is not cured within 10 days of Seller's receipt of a notice from Buyer that such breach exists or has occurred;

(iii) if Seller shall have defaulted in any material respect in the performance of any material obligation under this Agreement and such breach is not cured within 30 days of Seller's receipt of a notice from Buyer that such default exists or has occurred;

(iv) if the conditions to Buyer's obligations to consummate the Closing as set forth in Article VIII cannot reasonably be satisfied on or before the Termination Date;

(v) within 10 days after receipt by Buyer of a notice from Seller that the loss or damage to the Assets resulting from fire, theft or other casualty is so substantial as to prevent normal operation of any material portion of the System, as contemplated by Section 7.9(a);

(vi) following a Taking, as contemplated by the first sentence of Section 7.9(b);

(vii) if Seller notifies Buyer that, in its reasonable judgment, the cost of the Remediation will exceed $200,000, as contemplated by Section 7.5(a); provided, that Seller has not agreed to bear all costs of the Remediation in excess of $200,000; or

(viii) within five Business Days of the date which is 90 days from the date of this Agreement, if Seller has not obtained the Ocean Pines Consent.

(d) Unless the Closing shall have theretofore taken place, by either party after the Termination Date, provided that the terminating party is not otherwise materially in default or breach of this Agreement.

10.2 Manner of Exercise. In the event of the termination of this Agreement by either Buyer or Seller, pursuant to Section 10.1, notice thereof shall forthwith be given to the other party and this Agreement shall terminate and the transactions contemplated hereunder shall be abandoned without further action by Buyer or Seller.

10.3 Effect of Termination. (a) Subject to paragraphs (b), (c), (d) and (e) of this Section 10.3, in the event of the termination of this Agreement pursuant to Section 10.1 and prior to the Closing, all obligations of the parties hereunder shall terminate, except for the respective obligations of the parties under Section 13.12; provided, however, that no termination of this Agreement shall (i) except as set forth in paragraphs (b), (c), (d) and (e) of this Section 10.3 and Section 10.4, relieve a defaulting or breaching party from any liability to the other party or parties hereto for or in respect of such default or (ii) result in the rescission of any transaction theretofore consummated hereunder. For purposes of this Section 10.3 and Section 10.4, the failure to obtain the Commitment on or prior to June 23, 1997 or the termination of the Commitment at any time thereafter shall be deemed to be a breach or default by Buyer of its obligations under this Agreement.

(b) If this Agreement is terminated by Seller pursuant to Section 10. 1(b)(ii), (i) Buyer shall be entitled to an immediate return of the Deposit and (ii) Seller shall simultaneously with such notice of termination (which notice of termination shall not be effective unless and until such payment is made and action is taken) take all action required under the Escrow Agreement to cause the Deposit (together with all interest earned thereon) to be released to Buyer and pay to Buyer a termination fee of $1,077,500; provided, that if Seller terminates this Agreement pursuant to 10.1(b)(ii) with respect to an unsolicited proposal for an Alternative Transaction proposed by a person who submitted a written proposal prior to the date of this Agreement to purchase the System pursuant to the competitive auction conducted by Daniels & Associates, L.P., then the amount of such termination fee shall be $2,155,000. Any such termination fee shall be liquidated damages and not a penalty, and upon receipt thereof and the Deposit Buyer shall be precluded from exercising any other right or remedy available under this Agreement or applicable law.

(c) If this Agreement is terminated for any reason other than pursuant to Section 10.l(b)(ii), Section l0.l(b)(iii), Section l0.l(b)(iv) or Section l0.1(b)(vi) and Buyer is not otherwise in default or breach of this Agreement, Buyer shall be entitled to the immediate return of the Deposit (together with all interest earned thereon), and Seller shall promptly (but in no event more than two Business Days after the date of termination of this Agreement) take all action required under the Escrow Agreement to cause the Deposit (together with all interest earned thereon) to be released to Buyer.

(d) If this Agreement is terminated by Seller pursuant to Section 10.1 (b)(vi) on or prior to the Initial Termination Date, and if prior to such termination, (i) there has occurred a Material Adverse Change in the Financial Markets since the date of this Agreement and (ii) Seller has received written notice from Buyer that its failure to have the Commitment was due solely to such Material Adverse Change in the Financial Markets (which notice shall state with particularity the events which constitute such change), then Seller's damages for the termination of this Agreement shall be limited to $3,026,700. In any action or proceeding to determine damages for termination of this Agreement, Buyer shall have the burden to prove that the provisions of this paragraph (d) are applicable to such termination.

(e) If (i) this Agreement is extended by Seller beyond the Initial Termination Date and is subsequently terminated by Seller pursuant to Section l0.1(b)(vi) and (ii) at any time after the Initial Termination Date but prior to the Closing the Commitment is terminated solely because there has been a Material Adverse Change in the Financial Markets following the Initial Termination Date, Seller's damages shall be limited to $3,026,700; provided, that if prior to such termination (x) all conditions to Closing set forth in Articles VIII and IX, other than Section 9.10, have been satisfied and (y) Buyer has given written notice to Seller stating that Buyer is prepared to consummate the transactions contemplated by this Agreement and requesting that Seller waive the condition to Closing set forth in Section 9.10 (the "Waiver Notice"), then Seller shall be deemed to have waived all damages hereunder for termination of this Agreement if thereafter the conditions to Closing set forth in Article VIII have been satisfied and Buyer is unable to consummate the transactions contemplated by this Agreement solely because the Commitment was terminated by the issuing financial institution after the date of the Waiver Notice and the Commitment was so terminated solely because a "material adverse change," as defined (on commercially reasonable terms, but specifically excluding any material adverse change of or relating to the Buyer or its business or financial condition) in the Commitment, occurred after the date of the Waiver Notice. In any action or proceeding to determine damages for termination of this Agreement, Buyer shall have the burden to prove that the provisions of this paragraph (e) are applicable to such termination.

(f) Subject to Section 10.4, if this Agreement is terminated (i) pursuant to Section 10.1 (b)(vi) or (ii) for any reason other than pursuant to Section 10.1 (b)(vi) or pursuant to Section 10. 1(b)(ii), and Buyer is in default or breach of this Agreement, then in either such case the Deposit shall continue to be held by Escrow Agent in accordance with the terms of the Escrow Agreement pending final resolution of any claims for damages arising from Buyer's default or breach of this Agreement or as otherwise directed by Seller and Buyer.

10.4 Liquidated Damages. Provided that Seller is not in material default of this Agreement, in the event of (i) the breach or default by Buyer of its obligations under this Agreement and (ii) the termination of this Agreement prior to the Closing pursuant to Section l0.l(b)(iii), (iv) or (vi) (but subject to Section 10.3(e)), Seller shall have the option, upon notice from Seller to Buyer given as provided in the Escrow Agreement, to receive as liquidated damages, and not as a penalty, the Deposit. In the event Seller elects to receive the Deposit (together with all interest earned thereon) as liquidated damages as set forth in this Section 10.4, Buyer shall promptly (but in no event more than five Business Days after receipt of such notice of termination) take all action required under the Escrow Agreement to cause the Deposit (together with all interest earned thereon) to be released to Seller. If Seller elects to receive the Deposit as liquidated damages as set forth in this Section 10.4, Seller shall, upon receipt of the Deposit (together with all interest earned thereon), be precluded from exercising any other right or remedy available under this Agreement or applicable law.

ARTICLE XI

11. Nature and Survival of Representations, Warranties and Agreements.

11.1 Nature of Representations, Warranties and Agreements. Neither party will be deemed to have made any representation, warranty, covenant or agreement except as set forth in this Agreement. Without limiting the generality of the foregoing, neither party will be liable or bound in any manner by any express or implied representation, warranty, covenant or agreement that is made by any employee, agent or other Person representing or purporting to represent such party.

11.2 Survival of Representations and Warranties. The representations and warranties of Seller and Buyer in this Agreement and in the documents and instruments to be delivered by Seller and Buyer pursuant to this Agreement shall survive the Closing only as and to the extent set forth in this Article XI.

11.3 Time Limitations. If the Closing occurs, except as set forth below, Seller shall have no liability to Buyer with respect to any representation or warranty or any covenant, agreement or obligation to the extent required to be performed or complied with prior to the Closing Date, unless on or before the first anniversary of the Closing Date Seller is given written notice by Buyer asserting a claim with respect thereto and specifying the factual basis of that claim in reasonable detail to the extent then known by Buyer. If the Closing occurs, Buyer shall have no liability to Seller with respect to any representation or warranty or any covenant, agreement or obligation to the extent required to be performed or complied with prior to the Closing Date, unless on or before the first anniversary of the Closing Date Buyer is given written notice by Seller of a claim with respect thereto and specifying the factual basis of that claim in reasonable detail to the extent then known by Seller. A claim with respect to any covenants to be performed or complied with by Buyer or Seller after the Closing Date may be asserted at any time. Notwithstanding the foregoing, indemnification claims for the breach of the representations in Sections 5.5 and 5.16 and indemnification claims arising from any third party claim asserted against Buyer arising from the Excluded Liabilities may be made by Buyer at any time.

11.4 Limitations as to Amount. (a) If the Closing occurs, Seller shall have no liability (for indemnification or otherwise) with respect to any failure or breach of any representation or warranty or any covenant, agreement or obligation to the extent required to be performed on or prior to the Closing Date until the total of all damages with respect to all such failures or breaches exceeds in the aggregate $50,000, and then only for damages in excess of $50,000.

(b) If the Closing occurs, Buyer shall have no liability (for indemnification or otherwise) with respect to any failure or breach of any representation or warranty or any covenant, agreement, or obligation to the extent required to be performed on or before the Closing Date until the total of all damages with respect to all such failures or breaches exceeds in the aggregate $50,000, and then only for damages in excess of $50,000.

(c) If the Closing occurs, Seller's aggregate liability (for indemnification or otherwise) with respect to any failure or breach of any representation or warranty or any covenant, agreement or obligation to the extent required to be performed on or prior to the Closing Date shall be limited to Buyer's right to make an indemnification claim against Seller under Article XII and shall be further limited as set forth in Section 12.3.

ARTICLE XII

12. Indemnification.

12.1 Rights to Indemnification. Subject to the limitations set forth in Sections 11.3 and 11.4, Seller agrees to indemnify and hold harmless Buyer against any loss, liability, claim, damage or expense (including, but not limited to, reasonable attorneys' fees, accountants' fees and disbursements) arising from (a) any claim for brokerage or agent's or finder's commissions or compensation in respect of the transactions contemplated by this Agreement by any Person purporting to act on behalf of Seller, (b) any claim that Buyer is liable for the Excluded Liabilities and (c) Seller's failure or breach of any representation, warranty, covenant, agreement or obligation made or required to be performed by Seller under this

Agreement (and specifically excluding any representation, warranty, covenant, agreement or obligation of TCI or the General Partner, as to which Seller shall have no obligations to Buyer). Subject to the limitations set forth in Sections 11.3 and 11.4, Buyer agrees to indemnify and hold harmless Seller against any loss, liability, claim, damage or expense (including, but not limited to, reasonable attorneys' fees, accountants' fees and disbursements) arising from (a) any claim for brokerage or agent's or finder's commissions or compensation in respect of the transactions contemplated by this Agreement by any Person purporting to act on behalf of Buyer, (b) the failure to perform the obligations of the Assumed Liabilities, (c) Buyer's failure or breach of any representation, warranty, covenant, agreement or obligation made or required to be performed by Buyer under this Agreement and (d) if Buyer has the right to terminate this Agreement pursuant to Section 7.5(a) and does not give notice to terminate this Agreement pursuant to Section 10.1 (c)(vii), then after the Closing any claim with respect to any environmental condition disclosed or any report prepared and delivered pursuant to Section 7.5.

12.2 Procedure for Indemnification. Promptly after receipt by an indemnified party under Section 12.1 of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against an indemnifying party under such section, give notice to the indemnifying party of the commencement thereof, but the failure so to notify the indemnifying party shall not relieve it of any liability that it may have to any indemnified party except to the extent the indemnifying party demonstrates that the defense of such action is prejudiced thereby. In case any such action shall be brought against an indemnified party and it shall promptly give notice to the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, within ten Business Days of receipt of such notice, to assume the defense thereof with counsel of its choice and reasonably satisfactory to such indemnified party and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such section for any fees of other counsel or any other expenses, in each case subsequently incurred by such indemnified party in connection with the defense thereof, other than reasonable costs of investigation. If an indemnifying party assumes the defense of such action, (a) no compromise or settlement thereof may be effected by the indemnifying party without the indemnified party's consent unless (i) there is no finding or admission of any violation of law or any violation of the rights of the indemnified party and no effect on any other claims that may be made against the indemnified party and (ii) the sole relief provided is monetary damages that are paid in full by the indemnifying party and (b) the indemnifying party shall have no liability with respect to any compromise or settlement thereof effected without its consent (which shall not be unreasonably withheld). If notice is given to an indemnifying party of the commencement of any action and it does not, within ten Business Days after the indemnified party's notice is given, give notice to the indemnified party of its election to assume the defense thereof, the indemnifying party shall be bound by any determination made in such action or any compromise or settlement thereof effected by the indemnified party. Notwithstanding the foregoing, if an indemnified party determines in good faith that there is a reasonable probability that an action may adversely affect it or its Affiliates other than as a result of monetary damages, such indemnified party may, by notice to the indemnifying party, assume the exclusive right to defend, compromise or settle such action, but the indemnifying party shall not be bound by any determination of an action so defended or any compromise or settlement thereof effected without its consent (which shall not be unreasonably withheld).

12.3 Deposit. Buyer acknowledges and agrees that recourse against the Deposit up to an aggregate amount of $1,077,500 is its sole and exclusive remedy in the event of a claim against Seller with respect to any representation or warranty or any covenant, agreement or obligation, whether for indemnification pursuant to Article XI or this Article XII or otherwise; provided, however, that this limitation shall not apply to claims by Buyer for (i) breaches of covenants, agreements or obligations to be performed or complied with by Seller after the Closing Date, (ii) breaches of representations or warranties set forth in Sections 5.5 and 5.16 and (iii) third party claims asserted against Buyer arising from the Excluded Liabilities for which Buyer acknowledges and agrees that its first recourse shall be against the Deposit, to the extent there are funds available.

ARTICLE XIII

13. Miscellaneous.

13.1 Parties Obligated and Benefitted. (a) Subject to the limitations set forth in clauses (b) and (c) below, this Agreement will be binding upon the parties and their respective assigns and successors in interest and will inure solely to the benefit of the parties and their respective assigns and successors in interest, and no other Person will be entitled to any of the benefits conferred by this Agreement.

(b) Without the prior written consent of the other parties, no party will assign any of its rights under this Agreement or delegate any of its duties under this Agreement; provided, that Buyer may assign this Agreement to any Affiliate or subsidiary of Buyer without Seller's consent; provided, however, that notwithstanding such assignment Buyer shall remain obligated to Seller pursuant to the terms and conditions of this Agreement.

13.2 Press Releases and Confidentiality. Except as required by applicable law based on the advice of counsel, neither party shall make any public announcement, press release or Form 8-K filing under the Exchange Act with the SEC or any other filing with any other regulatory agency with respect to the transactions contemplated by this Agreement, without the prior written approval of the other party. Prior to the Closing Date (or at any time if the Closing does not occur), Buyer shall, and shall cause its members, officers, directors, employees, lenders, potential investors, auditors, accountants and representatives to, keep confidential and not disclose to any Person (other than its members, officers, directors, employees, lenders, potential investors, auditors, accountants and representatives) or use any information relating to Seller, the General Partner, Tele-Communications, Inc., TCI or any of TCI's direct or indirect wholly-owned subsidiaries and (except in connection with the transactions contemplated hereby, including, but not limited to, efforts to obtain from Governmental Authorities and third parties

Extensions and Required Consents to the transactions contemplated hereby and the operation of the Business) all non-public information obtained by Buyer pursuant to this Agreement. Prior to and following the Closing, Seller shall, and shall cause its officers, employees and representatives to, keep confidential and not disclose to any Person or use any information relating to Buyer and (except in connection with preparing Tax returns, conducting proceedings relating to Taxes or the Excluded Liabilities and, prior to the Closing Date, as required in the conduct of the Business or as permitted by Section 7.12) any non-public information relating to the Business. Buyer agrees to the inclusion of a description of the transactions contemplated by this Agreement in a letter to the Limited Partners. This Section 13.2 shall not be violated by disclosure pursuant to court order or as otherwise required by law, on condition that notice of the requirement for such disclosure is given to the other party hereto prior to making any disclosure and the party subject to such requirement cooperates as the other may reasonably request in resisting it.

13.3 Notices. All notices, consents, approvals, demands, requests and other communications required or desired to be given hereunder must be given in writing, shall refer to this Agreement, and shall be sent by registered or certified mail, return receipt requested, by hand delivery, by facsimile or by overnight courier service, addressed to the parties hereto at their addresses set forth below, or such other addresses as they may designate by like notice:

To Seller:

American Cable TV Investors 5, Ltd.
5619 DTC Parkway
Englewood, Colorado 80111
Attention: Marvin Jones
Facsimile No.: (303) 488-3219

With copies to:

Kaye, Scholer, Fierman,
Hays & Handler, LLP
425 Park Avenue
New York, New York 10022
Attention: Lynn Toby Fisher, Esq.
Facsimile No.: (212) 836-7152

To Buyer at:

Mediacom LLC
90 Crystal Run Road, Suite 406-A
Middletown, NY 10940
Attention: Rocco Commisso
Facsimile No.: (914) 692-9099

With a copy to:

Cooperman Levitt Winikoff Lester & Newman, P.C.
800 Third Avenue
New York, New York 10022
Attention: Robert Winikoff
Facsimile No.: (212) 755-2839

Any notice from a party hereto may be given by such party's respective attorneys. Any notice or other communications made hereunder shall be deemed to have been given (i) if delivered personally, by overnight courier service or by facsimile, on the date received, or (ii) if by registered or certified mail, return receipt requested, five business days after mailing.

13.4 Waiver. This Agreement or any of its provisions may not be waived except in writing. The failure of any party to enforce any right arising under this Agreement on one or more occasions will not operate as a waiver of that or any other right on that or any other occasion.

13.5 Captions. The article and section captions of this Agreement are for convenience only and do not constitute a part of this Agreement.

13.6 CHOICE OF LAW. THIS AGREEMENT AND THE LEGAL RELATIONS BETWEEN THE PARTIES HERETO SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN THAT STATE, WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES.

13.7 Nonrecourse. Notwithstanding anything in this Agreement to the contrary, in any action brought by reason of this Agreement or the transactions contemplated hereby, no judgment shall be sought or obtained against any of the general or limited partners of Seller or enforced against any of such partners or any of their assets.

13.8 Terms. Terms used with initial capital letters will have the meanings specified, applicable to both singular and plural forms, for all purposes of this Agreement. The word "include" and derivatives of that word are used in this Agreement in an illustrative sense rather than a limiting sense.

13.9 Rights Cumulative. Except as set forth in Section 10.4, all rights and remedies of each of the parties under this Agreement will be cumulative, and the exercise of one or more rights or remedies will not preclude the exercise of any other right or remedy available under this Agreement or applicable law.

13.10 Further Actions. Seller and Buyer will execute and deliver to the other, from time to time at or after the Closing, for no additional consideration and at no additional cost to the requesting party, such further assignments, certificates, instruments, records, or other documents, assurances or things as may be reasonably necessary to give full effect to this Agreement and to allow each party fully to enjoy and exercise the rights accorded and acquired by it under this Agreement.

13.11 Time. If the last day permitted for the giving of any notice or the performance of any act required or permitted under this Agreement falls on a day which is not a Business Day, the time for the giving of such notice or the performance of such act will be extended to the next succeeding Business Day.

13.12 Expenses. Except as otherwise expressly provided in this Agreement, each party will pay all of its expenses, including attorneys' and accountants' fees, in connection with the negotiation of this Agreement, the performance of its obligations and the consummation of the transactions contemplated by this Agreement.

13.13 Specific Performance. Seller and Buyer agree that irreparable damages would occur if any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that Seller and Buyer shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction, in addition to any other remedy to which they are entitled at law or in equity; provided, however, that Seller shall not be entitled to enforce specifically the terms and provisions hereof if Buyer would be required, as a result of such enforcement, to accept financing on terms which are not commercially reasonable in order to fund the Purchase Price. Buyer acknowledges and agrees that financing terms similar to those existing under its senior debt facility agented by The Chase Manhattan Bank are deemed to be commercially reasonable.

13.14 Additional Remedies. Buyer, TCI and the General Partner agree that irreparable harm would occur if any of the obligations of TCI or the General Partner set forth in Sections 7.3 and 7.16 were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that Buyer shall be entitled to an injunction or injunctions to prevent breaches of Sections 7.3 and 7.16 and to enforce specifically the terms and provisions of Sections 7.3 and 7.16 in any court of the United States or any state having jurisdiction, in addition to any other remedy to which they are entitled at law or in equity. Buyer shall be entitled to any remedy available at law or in equity with respect to a breach by TCI or the General Partner of its respective representations, warranties or covenants in this Agreement.

13.15 Waiver of Remedies. Each of Seller and Buyer hereby waives any claim for damages and any right to bring any action, cause of action, suit, demand or damage in law or equity which it may have against the other arising from termination of this Agreement pursuant to Section 10.(b)(vii) or 10.1 (c)(viii); provided, however, that neither Seller nor Buyer shall be precluded from bringing any action or suit arising from any default or breach of this Agreement.

13.16 Schedules. Any disclosure made on a Schedule to this Agreement will be deemed included on any other Schedule to which such disclosure may be pertinent.

13.17 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original.

13.18 Entire Agreement. This Agreement (including the Schedules and Exhibits referred to in this Agreement, which are incorporated in and constitute a part of this Agreement) contains the entire agreement of the parties and supersedes all prior oral or written agreements and understandings with respect to the subject matter. This Agreement may not be amended or modified except by a writing signed by the parties.

13.19 Severability. Any term or provision of this Agreement which is invalid or unenforceable will be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining rights of the Person intended to be benefitted by such provision or any other provisions of this Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

SELLER: AMERICAN CABLE TV INVESTORS 5, LTD.

By: IR-TCI Partners V, L.P.,
its general partner

By: TCI Ventures Five, Inc.,
its general partner

By: /s/ Marvin L. Jones

Name: Marvin L. Jones
Title: President

BUYER: MEDIACOM LLC

By: /s/ Rocco B. Commisso

Name: Rocco B. Commisso
Title: its Manager

With respect to Sections 5.1(b), 5.2(b), 5.3(c), 7.3, 7.12(b), 7.16 and 13.14 only:

TCI COMMUNICATIONS, INC.

By: /s/ Steve Brett

Name: Steve Brett
Title: Exec. Vice President

With respect to Sections 5.1(b), 5.2(b), 5.3(c),
7.12(a), 7.16 and 13.14 only:

IR-TCI PARTNERS V, L.P.

By: TCI Ventures Five, Inc., its general partner

By: /s/ Marvin L. Jones

Name: Marvin L. Jones
Title: President

List of Schedules and Exhibits
Pursuant to
Asset Purchase Agreement
of American Cable TV Investors 5, Ltd.
for AMERICAN CABLE TV OF LOWER DELAWARE/MARYLAND

EXHIBITS

Exhibit A	Geographic Areas of Seller's Business
Exhibit B	Escrow Agreement
Exhibit C	Form of Engagement Letter
Exhibit D	Form of Opinion of Seller's Counsel
Exhibit E	Form of Opinion of Buyer's Counsel
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Schedule 1.3 Equipment
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Schedule 1.7 Real Property
Schedule 1.8 Seller Contracts
Schedule 1.9 System
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Schedule 5.9 Seller Contracts
Schedule 5.12 Legal Proceedings
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Schedule 5.13(d) Employees
Schedule 5.13(e) Employer Plans
Schedule 5.14 System Information
Schedule 5.16 Taxes
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EXHIBIT 10.11

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ASSET PURCHASE AGREEMENT

BETWEEN

COXCOM, INC.

AND

MEDIACOM CALIFORNIA LLC

DATED

MAY 22, 1997

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT is dated May 22, 1997, by and between Mediacom California LLC ("Buyer"), a Delaware limited liability company, and CoxCom, Inc. ("Seller"), a Delaware corporation.

RECITALS:

A. Seller owns and operates the cable television system serving the areas in and around Sun City in Riverside County, California and providing cable television services to customers pursuant to the Franchises (as defined below) listed on Exhibit A (the "System").

B. Seller desires to sell, and Buyer wishes to buy, all of Seller's assets used in the operation of the System and the cable television business related thereto for the price and on the terms and conditions hereinafter set forth.

C. Seller intends to transfer such assets in a transaction to which Section 1031 of the Code (as defined below) applies, and Buyer is willing to take such steps as are appropriate on its part to enable Seller's transfer to so qualify, including, without limitation, the transfer of the assets and the consideration through the use of a Qualified Intermediary (as defined below).

AGREEMENTS:

In consideration of the above recitals and the covenants and agreements contained herein, Buyer and Seller agree as follows:

1. DEFINED TERMS

The following terms shall have the following meanings in this Agreement:

1.1. "Accounts Receivable" means, as of the Closing Date, the rights of Seller to payment for services billed by Seller in connection with its operation of the System in the ordinary course of business (including, without limitation, those billed to subscribers of the System, but excluding any rights to payment for advertising time provided by Seller) and unpaid prior to the Closing Date as reflected on the billing records of Seller relating to the System.

1.2. "Agreement" means this Asset Purchase Agreement.

1.3. "Assets" means all the tangible and intangible assets presently or hereafter owned, leased or used by Seller in connection with the conduct of the business or operations of the System, including, without limitation, those specified in detail in Section 2.1 but excluding those specified in Section 2.2.

1.4. "Business Day" means any day other than Saturday, Sunday or a day on which banking institutions in New York City, New York or Atlanta, Georgia are required or authorized to be closed.

1.5. "Closing" means the consummation of the transaction contemplated by this Agreement in accordance with the provisions of Section 7.

1.6. "Closing Date" means the date of the Closing specified in Section 7.

1.7. "Code" shall mean the Internal Revenue Code of 1986, as amended, and the regulations thereunder, or any subsequent legislative enactment thereof, as in effect from time to time.

1.8. "Communications Act" means the Communications Act of 1934, as amended, and the rules and regulations thereunder, as in effect from time to time.

1.9. "Compensation Arrangement" shall mean any written plan or compensation arrangement other than an Employee Plan or a Multiemployer Plan that provides to employees of Seller employed at the System any compensation or other benefits, whether deferred or not, in excess of base salary or wages and excluding overtime pay, including, but not limited to, any bonus or incentive plan, stock rights plan, deferred compensation arrangement, stock purchase plan, severance pay plan and any other perquisites and employee fringe benefit plan.

1.10. "Consents" means all of the consents, permits, approvals or other action of Governmental Authorities and other third parties necessary to permit the transfer of the Assets to Buyer or otherwise to consummate lawfully the transaction contemplated hereby.

1.11. "Contracts" means all pole attachment and conduit agreements, personal property leases, real property leases, subscription agreements with customers for cable services provided by the System, maintenance agreements, retransmission consent agreements and other agreements, written or oral (including any amendments and other modifications thereto) to which Seller is a party and that relate to the Assets or the business or operations of the System (other than the Franchises, and other than programming agreements and any other contracts that are Excluded Assets) that are either (i) in effect on the date hereof (other than those that expire by their terms and are not renewed prior to Closing); or (ii) entered into by Seller in the ordinary course of business of the System as permitted by this Agreement between the date hereof and the Closing Date.

1.12. "Employee Plan" shall mean any written pension, retirement, profit-sharing, deferred compensation, vacation, severance, bonus, incentive, medical, vision, dental, disability, life insurance or any other employee benefit plan as defined in Section 3(3) of ERISA (other than a Multiemployer Plan) to which Seller contributes or which Seller sponsors or maintains or by which Seller otherwise is bound, that provides benefits to employees of Seller employed at the System.

1.13. "Environmental Laws" shall mean the following: (i) Clean Air Act (42 U.S.C. (S) 7401, *et seq.*); (ii) Clean Water Act (33 U.S.C. (S) 1251 *et seq.*); (iii) Resource Conservation and Recovery Act (42 U.S.C. (S) 6901 *et seq.*); (iv) Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. (S) 9601, *et seq.*; (v) Safe Drinking Water Act (42 U.S.C. (S) 300f *et seq.*); (vi) Toxic Substances Control Act (15 U.S.C. (S) 2601, *et seq.*); (vii) Rivers and Harbors Act of 1899 (33 U.S.C. (S) 401, *et seq.*); (viii) Endangered Species Act of 1973 (16 U.S.C. (S) 1531, *et seq.*); and (ix) Occupational Safety and Health Act of 1970 (29 U.S.C. (S) 651 *et seq.*); all as amended.

1.14. "Equivalent Subscriber" shall mean an active customer for basic cable service either in a single household, a commercial establishment or in a multi-unit dwelling (including a hotel unit); provided, however, that the number of customers in a multi-unit dwelling or commercial establishment that obtain service on a "bulk-rate" basis shall be determined by dividing the gross bulk-rate billings for both basic cable service and CPST (but not billings from a la carte tiers or premium services, installation or other non-recurring charges, converter rental, new product tier or from any outlet or connection other than such customer's first (except in the case of a hotel unit), or from any pass-through charge for sales taxes, line-itemized franchise fees, fees charged by the FCC and the like) attributable to such multi-unit dwelling or commercial establishment during the most recent billing period ended prior to the date of calculation (but excluding billings in excess of a single month's charge) by the retail rate charged during that billing period to individual households for combined basic cable service and CPST offered by the System, such rate as of the date of this Agreement being $23.04 (excluding a la carte tiers or premium services, installation or other nonrecurring charges, converter rental, new product tier or from any outlet or connection other than the first or from any pass-through charges for sales taxes, line-itemized franchise fees, fees charged by the FCC and the like). For purposes of this definition (i) "basic cable service" shall mean the tier of cable television service that includes the retransmission of local broadcast signals as defined by the Communications Act; (ii) "CPST" shall mean the tier of cable television service immediately above basic cable service offered by the System providing for a package of programming that includes satellite-delivered services; (iii) an "active customer" shall mean any person, commercial establishment or multi-unit dwelling at any given time that is paying for and receiving basic cable service from the System who has an account that is not more than 60 days past due (except for past due amounts of $10 or less, provided such account is otherwise current), provided that for purposes of this definition, an "active customer" does not include (a) any person, commercial establishment or multi-unit dwelling that as of the date of calculation has not paid in full, without discount (unless discounted pursuant to Marketing Programs (as defined in Section 3.9.5 below) conducted in the ordinary course of business), the charges for at least one month of the services ordered, including deposit and installation charges, if any, due in connection with such customer's initially obtaining cable television service from the System, (b) any courtesy account, (c) any customer that comes within the definition of "active customer" because such customer's account (or any part thereof) has been compromised or written off, other than in the ordinary course of business consistent with past practices for reasons such as service interruptions, but not for the purpose of making such customer qualify as an Equivalent Subscriber or (d) any account that has a disconnect request pending or that is scheduled to be disconnected for any reason, except for any customer who has a disconnect request pending in connection with a transfer of service within the System's service area; and (iv) the number of days past due of a customer account shall be determined from the first day of the period for which the applicable billing relates.

1.15. "ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended, and the regulations thereunder, as in effect from time to time.

1.16. "FAA" means the Federal Aviation Administration.

1.17. "FCC" means the Federal Communications Commission.

1.18. "Franchises" means all franchise agreements, franchise applications, operating permits and similar governing agreements, instruments, statutes, ordinances, approvals, authorizations, and similar rights obtained from any Franchising Authority which are necessary or required in order to operate the System and provide cable television services thereto, including all amendments thereto and renewals or modifications thereof.

1.19. "Franchising Authorities" means all Governmental Authorities which have issued municipal or county cable franchises relating to the operation of the System or before which are pending any franchise applications filed by Seller relating to the operation of the System.

1.20. "Governmental Authority" means (i) the United States of America, (ii) any state, commonwealth, territory or possession of the United States of America and any political subdivision thereof (including counties, municipalities and the like) or (iii) any agency, authority or instrumentality of any of the foregoing, including any court, tribunal, department, bureau, commission or board.

1.21. "Governmental Permits" means all Franchises, domestic satellite, business radio and other licenses, earth station registrations, and all authorizations and permits relating to the System granted to Seller by any Governmental Authority, including all amendments thereto and modifications thereof.

1.22. "Material Adverse Effect" means any of (a) a material adverse effect on the operations of the System, taken as a whole, or (b) a material adverse effect on the assets of the System, taken as a whole, or (c) a material adverse effect on the financial condition of the System, taken as a whole, in each case other than matters affecting the cable television industry generally (including, without limitation, legislative, regulatory or litigation matters) and matters relating to or arising from national economic conditions (including, without limitation, financial and capital markets).

1.23. "Multiemployer Plan" means a plan, as defined in ERISA Section 3(37) or 4001 (a)(3), to which Seller or any trade or business which would be considered a single employer with Seller under Section 400 l(b)(l) of ERISA contributed, contributes or is required to contribute that provides benefits to employees of Seller employed at the System.

1.24. "Permitted Encumbrances" shall mean any of the following liens or encumbrances: (i) landlord's liens and liens for current taxes, assessments and governmental charges not yet due or being contested in good faith by appropriate proceedings; (ii) statutory liens or other encumbrances that are minor or technical defects in title that do not, individually or in the aggregate, materially affect the value, marketability or utility of the Assets as presently utilized or that do not, individually or in the aggregate, exceed $25,000; (iii) such liens, liabilities or encumbrances as are Assumed Liabilities; (iv) leased interests in property leased to others; (v) restrictions set forth in, or rights granted to Franchising Authorities as set forth in, the Franchises or applicable laws relating thereto; and (vi) zoning, building or similar restrictions, easements, rights-of-way, reservations of rights, conditions or other restrictions or encumbrances relating to or affecting the Real Property, that do not materially interfere with the use of such Real Property in the operation of the System as presently conducted.

1.25. "Personal Property" means all of the machinery, equipment, tools, vehicles, furniture, leasehold improvements, office equipment, plant, inventory, spare parts, supplies and other tangible and intangible personal property, including, without limitation, the Governmental Permits, the Contracts and the Accounts Receivable, that are owned, leased or held by Seller and used, useful or held for use as of the date hereof in the conduct of the business or operations of the System, plus such additions thereto and deletions therefrom arising in the ordinary course of business and as permitted by this Agreement between the date hereof and the Closing Date.

1.26. "Qualified Intermediary" means an entity constituting a "qualified intermediary" within the definition set forth in Treas. Reg. (S) 1.1031(k)-1(g)(4).

1.27. "Real Property" means all of the real property interests of Seller, including without limitation fee interests in real estate (together with the buildings and other improvements located thereon), leasehold interests in real estate, easements, licenses, rights to access, rights-of-way and other real property interests that are (i) leased by Seller and used as of the date hereof in the business or operations of the System; or (ii) owned by Seller and used as of the date hereof in the business or operations of the System, plus such additions thereto and deletions therefrom arising in the ordinary course of business and permitted by this Agreement between the date hereof and the Closing Date.

1.28. <u>List of Additional Definitions</u>. The following is a list of some additional terms used in this Agreement and a reference to the Section hereof in which such term is defined:

Term	Section
Ad Sales Certificate	2.5.9
Advertising Agreement	2.5.3
Assumed Liabilities	2.6
Authorizations	3.23
Bank MAC	6.1.7
Billing Services	5.13
Buyer	Preamble

Buyer's 401(k) Plan	5.10.5
Confidential Information	5.3
Claimant	9.4.1
Copyright Act	3.18.2
Deposit	2.3
Escrow Agent	2.3
Escrow Agreement	2.3
Excluded Assets	2.2
Final Report	2.5.7
Financial Statements	3.10
Indemnifying Party	9.4.1
Marketing Programs	3.9.5
Preliminary Report	2.5.6
Purchase Price	2.4
Seller	Preamble
Seller's 401(k) Plan	5.10.5
Subscriber Count	2.5.5(i)
Subscriber Estimate	2.5.5(i)
System	Recitals
Taxes	3.13
Threshold Amount	9.5.1
Transferred Employees	5.10.1

2. SALE AND PURCHASE OF ASSETS

2.1. Agreement to Sell and Purchase. Subject to the terms and conditions set forth in this Agreement, Seller hereby agrees to sell, transfer and deliver to Buyer on the Closing Date, and Buyer agrees to purchase from Seller on the Closing Date, all of the Assets, free and clear of any claims, liabilities, mortgages, liens, pledges, conditions, charges or encumbrances of any nature whatsoever except for Permitted Encumbrances, more specifically described as follows:

2.1.1. The Personal Property;

2.1.2. The Real Property;

2.1.3. The Governmental Permits;

2.1.4. The Contracts;

2.1.5. The Accounts Receivable and all advertising commissions receivable under the Advertising Agreement (as defined in Section 2.5.3 below);

2.1.6. All of Seller's proprietary information, technical information and data, machinery and equipment warranties, maps, computer discs and tapes, plans, diagrams, blueprints and schematics, including filings with the Franchising Authorities and the FCC relating to the System (other than the materials described in Section 2.2.2 hereof);

2.1.7. All choses in action of Seller relating to the System;

2.1.8. Subject to Section 2.2.2, all books and records relating to the business or operations of the System, including executed copies of the Contracts and all correspondence and memoranda relating thereto, customer records and all records required by the Franchising Authorities and the FCC to be kept, subject to the right of Seller to have such books and records made available to Seller for a reasonable period, not to exceed three years from the Closing Date; and

2.1.9. The goodwill and going concern value generated by Seller with respect to the System, if any.

2.2. Excluded Assets. The Assets shall exclude the following assets (the "Excluded Assets"):

2.2.1. Seller's cash on hand as of the Closing Date and all other cash in any of Seller's bank or savings accounts, including, without limitation, customer advance payments and deposits; any and all bonds, surety instruments, insurance policies and all rights and claims thereunder, letters of credit or other similar items and any cash surrender value in regard thereto, and any stocks, bonds, certificates of deposit and similar investments;

2.2.2. Any books and records that Seller is required by law to retain and any correspondence, memoranda, books of account, tax reports and returns and the like related to the System other than those described in Section 2.1.8, subject to the right of Buyer to have access to and to copy for a reasonable period, not to exceed three years from the Closing Date, and Seller's corporate minute books and other books and records related to internal corporate matters and financial relationships with Seller's lenders and affiliates;

2.2.3. Any claims, rights and interest in and to any refunds of federal, state or local franchise, income or other taxes or fees of any nature whatsoever for periods prior to the Closing Date including, without limitation, fees paid to the U.S. Copyright Office or any choses in action owned by Seller relating to such refunds;

2.2.4. All programming agreements and retransmission consent agreements of Seller, including those relating to or benefitting the System (other than the local programming agreements, retransmission consents and must-carry notices listed on Schedule 3.7);

2.2.5. Except as provided in Section 5.15, all trademarks, trade names, service marks, service names, logos and similar proprietary rights of Seller whether or not used in the business of the System;

2.2.6. Any Employee Plan, Compensation Arrangement or Multiemployer Plan;

2.2.7. Any and all assets and rights of Seller unrelated to the System;

2.2.8. Except as provided in Section 5.13, all equipment, software and agreements related to Seller's accounting and customer billing systems, the material items of which are listed on Schedule 2.2;

2.2.9. Any contracts, agreements or other arrangements between Seller and its affiliates relating to corporate overhead, MIS, accounting services, payroll system services, programming costs, employee benefits, insurance coverage, marketing, advertising and converter repair services; and

2.2.10. The assets listed on Schedule 2.2.

2.3. Deposit. Upon execution and delivery of this Agreement by Seller and Buyer, Buyer shall deliver to Wachovia Bank of Georgia, N.A., Atlanta, Georgia ("Escrow Agent") the sum of Three Hundred Thousand Dollars ($300,000) (the "Deposit"), to secure the obligations of Buyer to close under this Agreement. The Deposit shall be held in an escrow account and applied pursuant to the terms of that certain Deposit Escrow Agreement, in the form attached hereto as Exhibit B executed concurrently herewith by Buyer, Seller and Escrow Agent (the "Escrow Agreement"). Upon the Closing, the amount of the Deposit, together with interest thereon, shall be delivered to Seller or, at Seller's direction, to a Qualified Intermediary for purposes of effecting a like-kind exchange of property under Section 1031 of the Code, and credited against the Purchase Price. In the event of a termination of this Agreement, the Deposit shall be paid in accordance with Section 8.2 hereof.

2.4. Purchase Price. The purchase price for the Assets shall be Eleven Million Five Hundred Thousand Dollars ($11,500,000) (the "Purchase Price"), which amount shall be adjusted as provided in Section 2.5 below and be paid by Buyer to Seller at Closing by wire transfer of immediately available funds to Seller or, at Seller's direction, to a Qualified Intermediary for purposes of effecting a like-kind exchange of property under Section 1031 of the Code.

2.5. Adjustments and Prorations.

2.5.1. All expenses and other liabilities arising from the System up until midnight on the day prior to the Closing Date, including franchise fees, pole and other rental charges payable with respect to cable television service, utility charges, real and personal property taxes and assessments levied against the Assets, salesperson advances, property and equipment rentals, applicable copyright or other fees, sales and service charges, taxes (except for taxes arising from the transfer of the Assets hereunder), accrued vacation (only to the extent Buyer honors such accrual as set forth in Section 5.10.4) and similar prepaid and deferred items, shall be prorated between Buyer and Seller in accordance with the principle that Seller shall be responsible for all expenses, costs and liabilities allocable to the conduct of the business or operations of the System for the period prior to the Closing Date, and Buyer shall be responsible for all expenses, costs and liabilities allocable to the conduct of the business or operations of the System on the Closing Date and for the period thereafter.

2.5.2. The Purchase Price shall be increased by an amount equal to (i) 100% of the face amount of all cable service customer Accounts Receivable that are outstanding 30 days or less from the first day of the period to which any outstanding bill relates, (ii) 90% of the face amount of all cable service customer Accounts Receivable that are outstanding more than 30 but fewer than 61 days from the first day of the period to which any outstanding bill relates and (iii) 0% of the face amount of all cable service customer Accounts Receivable that are outstanding more than 60 days from the first day of the period to which any outstanding bill relates.

2.5.3. The Purchase Price shall be increased by an amount equal to any advertising commissions payable to Seller under that certain Agreement, dated July 22, 1992, between King VideoCable Company and Dimension Media Services, Inc. (the "Advertising Agreement") for advertising services provided prior to the Closing Date.

2.5.4. The Purchase Price shall be reduced by an amount equal to (i) any customer advance payments (i.e., customer payments received by Seller prior to Closing but relating to service to be provided by Buyer after Closing) and deposits (including any interest owing thereon), (ii) any other advance payments (i.e., advertising payments received by Seller prior to Closing but relating to service to be provided by Buyer after Closing) and (iii) Accounts Receivable relating to services to be performed after the Closing and the responsibility for which is assumed by Buyer under this Agreement.

2.5.5. The Purchase Price shall be reduced as follows:

(i) In the event the Closing occurs on or before August 15, 1997, the Purchase Price shall be reduced by $1,200 for each Equivalent Subscriber less than 9,500 as of the Closing Date, but, except as provided below, the Purchase Price shall not be reduced pursuant to this Section 2.5.5(i) by an amount greater than $600,000. The number of such Equivalent Subscribers shall be estimated as of Closing in Seller's Preliminary Report (as defined in Section 2.5.6 below) delivered to Buyer in accordance with Section 2.5.6, and thereafter being subject to post-Closing verification and adjustment under Section 2.5.7. In the event the number of Equivalent Subscribers estimated as of Closing (the "Subscriber Estimate") is at least 9,000 but is determined upon post-Closing verification and adjustment under Section 2.5.7 (the "Subscriber Count") to be fewer than 9,000, the Purchase Price reduction pursuant to this Section 2.5.5(i) shall not be subject to the $600,000 limitation set forth herein. In addition, in the event the Subscriber Estimate is less than 9,000, Buyer elects to proceed with the Closing, and the Subscriber Count is less than such Subscriber Estimate, Buyer shall be entitled to a further Purchase Price reduction equal to $1,200 multiplied by the difference between such Subscriber Estimate and the Subscriber Count, which shall not be subject to the $600,000 limitation set forth herein.

(ii) In the event the Closing occurs after August 15, 1997, the Purchase Price shall be reduced by $1,200 for each Equivalent Subscriber less than 9,600 as of the Closing Date, but, except as provided below, the Purchase Price shall not be reduced pursuant to this Section 2.5.5(ii) by an amount greater than $600,000. The number of such Equivalent Subscribers shall be estimated as of Closing in Seller's Preliminary Report (as defined in Section 2.5.6 below) delivered to Buyer in accordance with Section 2.5.6, and thereafter being subject to post-closing verification and adjustment under Section 2.5.7. In the event the Subscriber Estimate (as defined in Section 2.5.5(i) above) is at least 9,100 but the Subscriber Count (as defined in Section 2.5.5(i) above) is less than 9,100, the Purchase Price reduction pursuant to this Section 2.5.5(ii) shall not be subject to the $600,000 limitation set forth herein. In addition, in the event the Subscriber Estimate is less than 9,100, Buyer elects to proceed with the Closing, and the Subscriber Count is less than such Subscriber Estimate, Buyer shall be entitled to a further Purchase Price reduction equal to $1,200 multiplied by the difference between such Subscriber Estimate and the Subscriber Count, which shall not be subject to the $600,000 limitation set forth herein.

2.5.6. At least ten Business Days prior to the Closing, Seller will deliver to Buyer a report with respect to the System (the "Preliminary Report"), showing in detail the preliminary determination of the adjustments referred to in this Section 2.5, calculated in accordance with such Section as of the Closing Date (or as of any other date(s) agreed to by the parties) together with any documents substantiating the determination of the adjustments to the Purchase Price proposed in the Preliminary Report. The Preliminary Report will include a schedule setting forth advance payments and deposits made to or by Seller, as well as Accounts Receivable information relating to the System (showing sums due and their respective aging as of the Closing Date) and the Subscriber Estimate. The parties shall negotiate in good faith to resolve any dispute and to reach an agreement prior to the Closing Date on such estimated adjustments as of the Closing Date or thereafter in accordance with Section 2.5.7 below. The adjustment shown in the Preliminary Report, as adjusted by agreement of the parties, will be reflected as an adjustment to the Purchase Price payable at the Closing, provided Buyer has not given notice to Seller that, in Buyer's reasonable opinion, the proposed adjustments are materially incorrect. If Buyer gives Seller notice that in its reasonable opinion, the proposed adjustments are materially incorrect, and if the parties have not been able to resolve the matter prior to the Closing Date, any disputed amounts shall be paid by the party to be charged with a disputed adjustment into escrow, and shall be held by the Escrow Agent in accordance with the Escrow Agreement until the adjustments are finally determined pursuant to Section 2.5.7, at which time Seller and Buyer shall deliver a joint written notice to the Escrow Agent setting forth appropriate instructions as to the disposition from escrow of such disputed amounts deposited thereunder, in accordance with the Escrow Agreement.

2.5.7. Within 120 days after the Closing Date, Buyer shall deliver to Seller a report with respect to the System (the "Final Report"), showing in detail the final determination of any adjustments which were not calculated as of the Closing Date and containing any corrections to the Preliminary Report, together with any documents substantiating the final calculation of the adjustments proposed in the Final Report. If Seller shall conclude that the Final Report does not accurately reflect the adjustments and prorations to be made to the Purchase Price in accordance with this Section 2.5, Seller shall, within 30 days after its receipt of the Final Report, provide to

Buyer its written statement of any discrepancies believed to exist. Buyer and Seller shall use good faith efforts to jointly resolve the discrepancies within 30 days of Buyer's receipt of Seller's written statement of discrepancies, which resolution, if achieved, shall be binding upon all parties to this Agreement and not subject to dispute or judicial review. If Buyer and Seller cannot resolve the discrepancies to their mutual satisfaction within such 30-day period, Buyer and Seller shall, within the following 10 days, jointly designate a national independent public accounting firm to be retained to review the Final Report together with Seller's discrepancy statement and any other relevant documents. The parties agree that the foregoing independent public accounting firm shall not be one that is, or within two years prior to the Closing Date has been, regularly engaged by Buyer or Seller. Such firm shall report its conclusions as to adjustments pursuant to this Section 2.5 which shall be conclusive on all parties to this Agreement and not subject to dispute or judicial review. If, after adjustment as appropriate with respect to the amount of the aforesaid adjustments paid or credited at the Closing, Buyer or Seller is determined to owe an amount to the other, the appropriate party shall pay such amount thereof to the other, within three Business Days after receipt of such determination. The cost of retaining such independent public accounting firm shall be borne one-half by Seller and one-half by Buyer.

2.5.8. Within 30 days after the first anniversary of the Closing Date, Buyer shall deliver to Seller a certificate (the "Ad Sales Certificate"), signed by an officer of Buyer, certifying to his or her knowledge, without personal liability, to the amount of advertising commissions earned and received by Buyer pursuant to the Advertising Agreement in the 12-month period immediately following Closing; provided that the Ad Sales Certificate shall be accompanied by financial and other records sufficient to support the certification set forth therein. If the amount of advertising commissions calculated pursuant to this Section 2.5.8 is less than $75,000, Seller will pay to Buyer the difference between $75,000 and the advertising commissions so calculated within five Business Days after receipt of the Ad Sales Certificate.

2.6. Assumption of Liabilities and Obligations. As of the Closing Date, Buyer shall assume and pay, discharge and perform the following: (collectively, the "Assumed Liabilities"): (i) all the obligations and liabilities of Seller arising on or after the Closing Date under the Governmental Permits and the Contracts; (ii) all obligations and liabilities of Seller arising on or after the Closing Date to all customers and advertisers of the System for any advance payments or deposits to the extent Buyer received a credit therefor pursuant to Section 2.5.4; (iii) all obligations and liabilities arising out of events occurring on or after the Closing Date related to Buyer's ownership of the Assets or its conduct of the business or operations of the System; and (iv) the obligations and liabilities listed on Schedule 2.6. All other obligations and liabilities of Seller shall remain and be the obligations and liabilities solely of Seller.

2.7. Financial and Tax Reporting. Buyer and Seller agree to use reasonable business efforts to engage in the mutually agreeable sharing of financial and valuation information in order to obtain mutually consistent financial and tax reporting, to the greatest extent practicable.

3. REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer as of the date of this Agreement and as of the Closing Date, as follows:

3.1. Organization, Standing and Authority. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, and is qualified to conduct business as a foreign corporation in each jurisdiction in which the property owned, leased or operated by it requires it to be so qualified, except where the failure to so qualify would not have a Material Adverse Effect, or a material adverse effect on the validity, binding effect or enforceability of this Agreement or the ability of Seller to perform its obligations hereunder. Seller has the requisite corporate power and authority (i) to own, lease and use the Assets as presently owned, leased and used by it; and (ii) to conduct the business and operations of the System as presently conducted by it. Seller is not a participant in any joint venture or partnership with any other person or entity with respect to any part of the System's operations or the Assets.

3.2. Authorization and Binding Obligation. Seller has the corporate power and authority to execute and deliver this Agreement and to carry out and perform all of its other obligations under the terms of this Agreement. All corporate action by Seller necessary for the authorization, execution, delivery and performance by it of this Agreement has been taken. This Agreement has been duly executed and delivered by Seller and this Agreement constitutes the valid and legally binding obligation of Seller, enforceable against it in accordance with its terms, except (i) as rights to indemnity, if any, thereunder may be limited by federal or state securities laws or the public policies embodied therein; (ii) as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws from time to time in effect affecting the enforcement of creditors' rights generally; and (iii) as the remedy of specific performance and injunctive and other forms of equitable relief may be subject to equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

3.3. Absence of Conflicting Agreements. Subject to obtaining the Consents listed on Schedule 3.8, the execution, delivery and performance of this Agreement by Seller will not (i) violate the articles of incorporation or bylaws of Seller; (ii) violate any law, judgment, order, ordinance, injunction, decree, rule or regulation of any Governmental Authority applicable to Seller with respect to the Assets; or (iii) conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, accelerate or permit the acceleration of any performance required by the terms of, any agreement, instrument, license or permit to which Seller is a party or may be bound and by which the Assets or the System are affected, excluding from the foregoing clauses (ii) and (iii) such violations, conflicts, terminations, breaches and defaults, which in the aggregate would not have a Material Adverse Effect.

3.4. Governmental Permits. Schedule 3.4 includes a true and complete list of all Governmental Permits that are held for use in connection with the operations of the System. True and complete copies of such Governmental Permits (together with any and all amendments thereto) have been made available to Buyer. Each of the Governmental Permits listed on Schedule 3.4 is valid and binding on Seller and, to the knowledge of Seller, in full force and effect in accordance with its terms. No proceedings are pending or, to Seller's knowledge, threatened, to revoke, terminate, cancel or modify any of the Governmental Permits. Except as listed on Schedule 3.4 and except for any noncompliance or default that would not have a Material Adverse Effect, the Seller and the operations of the System by Seller are in compliance with the terms and conditions of the Governmental Permits and are not in default thereunder.

3.5. Real Property. Schedule 3.5 contains a list of all leases of Real Property to which Seller is a party as of the date hereof, and all rights-of-way, easements, or other interests in Real Property to which Seller is a party as of the date hereof, except for those rights-of-way, easements and other interests which if not held by Seller would not have a Material Adverse Effect. Seller does not own fee title to any real property used in the operation of the System. To Seller's knowledge, there are not pending or threatened any condemnation actions or special assessments or any pending proceedings for changes in the zoning with respect to such Real Property or any part thereof and Seller has not received any notice of the desire of any Governmental Authority or other entity to take or use any Real Property or any part thereof. All structures owned by Seller on the Real Property are structurally sound and in good operating condition and repair (reasonable wear and tear excepted). Each parcel of Real Property has access to all public roads and utilities necessary for operation of the System with respect to such parcel.

3.6. Personal Property. Schedule 3.6 contains a list of all material items of machinery, equipment, vehicles, plant and other tangible Personal Property used or held for use by Seller in the operation of the System. Seller has, or will have on the Closing Date, good title to all Personal Property owned by Seller, and as of the Closing Date none of the Personal Property will be subject to any claims, liabilities, mortgages, liens, pledges, conditions, charges or encumbrances of any nature whatsoever, except for Permitted Encumbrances. Except as set forth in Schedule 3.6. the Personal Property is in reasonable operating condition and repair (subject to normal wear and tear).

3.7. Contracts. Schedule 3.7 lists all Contracts in existence as of the date hereof except for: (i) subscription agreements with customers for the cable services provided by the System; (ii) oral employment contracts and miscellaneous service contracts terminable at will without penalty; and (iii) other contracts not involving either liabilities under such contract exceeding $5,000 per year or any material nonmonetary obligation. Notwithstanding the foregoing, Schedule 3.7 contains a description of all oral employment contracts. Seller has made available to Buyer true and complete copies of all written Contracts disclosed in Schedule 3.7. Except as set forth thereon, all of the Contracts listed on Schedule 3.7 are valid and binding and in full force and effect and, to the knowledge of Seller, legally enforceable in accordance with their terms upon the other parties thereto. There is not under any Contract any breach or default by Seller or, to the knowledge of Seller, any other party thereto, except for such breaches and defaults which, individually or in the aggregate, would not have a Material Adverse Effect. Seller has not nor, to Seller's knowledge, has any other party to any Contract given or received notice of termination and, to Seller's knowledge, subject to the receipt of the Consents set forth on Schedule 3.8, the consummation of the transactions contemplated by this Agreement will not result in any such termination.

3.8. Consents. Except for the Consents described in Schedule 3.8 and Consents which if not obtained would not have a Material Adverse Effect or a material adverse effect on Seller's ability to perform its obligations under this Agreement, no consent, approval, permit or authorization of, or declaration to or filing with any Governmental Authority or any other third party is required to consummate this Agreement and the transaction contemplated hereby.

3.9. Information on System.

3.9.1. As of the date of this Agreement (i) there are approximately 145 miles of energized cable plant in the System of which approximately 70% is underground and approximately 30% is aerial and (ii) not less than 75% of the energized cable plant has a bandwidth capacity of at least 550 MHz.

3.9.2. As of the date of this Agreement, the energized cable plant passes 13,100 "dwellings" (where "dwellings" means a home or other residential unit that can legally be serviced by the System by using no more than 300 feet of drop cable). Of these 13,100 "dwellings," 12,700 can legally be serviced by the System by using no more than 150 feet of drop cable, with the remaining 400 "dwellings" requiring more than 150 feet (but no more than 300 feet) of drop cable.

3.9.3. As of the date of this Agreement, the rates (including installation charges) charged to customers for each class of service and categories of customers for the System are set forth in Schedule 3.9.3.

3.9.4. The System duly and properly carries and delivers the channels indicated in Schedule 3.9.4. Seller has obtained all required FCC clearances for the operation of the System in all necessary aeronautical frequency bands.

3.9.5. Schedule 3.9.5 sets forth the following System information, true and correct in all material respects as of March 31, 1997 (unless otherwise noted):

(i) an inventory of converters;

(ii) the approximate number of Equivalent Subscribers;

(iii) a listing of all communities registered with the FCC included within the Franchise areas;

(iv) the channel capacity of the System, all broadcast and nonbroadcast stations or signals carried by the System, with a breakdown as to each signal as between satellite and off-air reception, current channel and frequencies utilized (including system radius and designated coordinates reported to the FCC);

(v) all marketing programs pursuant to which any customers of the System currently are receiving discounts, whether or not such programs currently are being offered to customers or potential customers of the System, and all marketing programs active as of the date of this Agreement as described in written materials distributed to customers or potential customers of the System (collectively, "Marketing Programs");

(vi) all FCC call signals and licenses, including, but not limited to, business radios, earth stations and microwave; and

(vii) all retransmission agreements and must carry requests utilized by Seller in the operation of the System.

3.10. Financial Statements. Schedule 3.10 contains true and complete copies of unaudited financial statements of the System containing (i) balance sheets and statements of income as of December 31, 1995 and 1996 and for each of the years then ended and (ii) balance sheets and statements of income as of March 31, 1997 and for the three-month period then ended (collectively, the "Financial Statements"). The Financial Statements are prepared in accordance with generally accepted accounting principles consistently applied, except for the absence of footnotes and statements of cash flows and, with respect to the interim Financial Statements, subject to normal recurring year-end adjustments. The Financial Statements are in accordance with the books and records of Seller and present fairly in all material respects the financial condition of the System as of their respective dates and the results of operations for the periods then ended.

3.11. Employee Benefit Plans.

3.11.1. All of Seller's Employee Plans and Compensation Arrangements providing benefits to employees of the System as of the date of this Agreement are listed in Schedule 3.11, and copies of any such Employee Plans and Compensation Arrangements (or related insurance policies) and any amendments thereto have been made available to Buyer, along with copies of any currently available employee handbooks or similar documents describing such Employee Plans and Compensation Arrangements. Except as disclosed in Schedule 3.11, there is not now in effect or to become effective after the date of this Agreement and until the Closing Date, any new Employee Plan or Compensation Arrangement or any amendment to an existing Employee Plan or Compensation Arrangement which will affect the benefits of employees or former employees of the System.

3.11.2. Each of Seller's Employee Plans and Compensation Arrangements has been administered without material exception in compliance with its own terms and, where applicable, with ERISA, the Code, the Age Discrimination in Employment Act and any other applicable federal or state laws.

3.11.3. Except as disclosed in Schedule 3.11, Seller does not contribute to and is not required to contribute to any Multiemployer Plan with respect to its employees at the System.

3.12. Labor Relations. Schedule 3.12 lists the names, dates of hire and job titles (indicating whether such employee is full-time or part-time) of all personnel whose work is performed wholly or substantially for the System, and Seller has previously delivered to Buyer the current rates of compensation and bonus arrangements for all such employees. To the knowledge of Seller, Seller is not liable for any arrearages of wages or any taxes or penalties relating thereto. Except as disclosed in Schedule 3.12, Seller is not a party to or subject to any collective bargaining agreements with respect to the System and the employees of the System are not represented by a union. Seller has no written or oral contracts of employment with any employee of the System, other than (i) oral employment agreements terminable at will without penalty; or (ii) those listed in Schedule 3.7.

3.13. Taxes, Returns and Reports. All federal, state and local tax returns required to be filed by Seller through the date hereof in connection with the operation of the System with respect to any federal, state or local taxes (the "Taxes") have been filed. Except as set forth in Schedule 3.13, all Taxes which are due and payable or disputed in good faith have been properly accrued or paid or are being contested in good faith by appropriate proceedings.

3.14. Claims and Legal Actions. Except as set forth in Schedule 3.14, and except for any investigations and rule-making proceedings affecting the cable industry generally, there is no (i) judgment or order outstanding, (ii) legal action, counterclaim, suit, arbitration, proceeding or claim in progress or, to the knowledge of Seller, pending, threatened against or relating to Seller, the Assets or the business or operations of the System, or (iii) to the knowledge of Seller, governmental investigation in progress, pending, threatened against or relating to Seller, the Assets or the business or operations of the System; other than those which would not have a Material Adverse Effect or would not impair the ability of Seller to perform its obligations under this Agreement.

3.15. Environmental Matters.

3.15.1. Except as disclosed in Schedule 3.15 hereto, Seller's operations with respect to the System, including with respect to the Real Property, comply with all applicable Environmental Laws except for any noncompliance that would not have a Material Adverse Effect. Except as described in Schedule 3.15 hereto, to the knowledge of Seller no underground storage tanks are located on the Real Property.

3.15.2. No hazardous substances, pollutants, contaminants or petroleum products, as such terms are defined in Environmental Laws, are present on the Real Property, whether inside or outside of any building, in such a manner as may require remediation by Seller under any Contract or applicable Environmental Laws.

3.15.3. Seller has not received written notice from any Governmental Authority of any violation by Seller with respect to the System of any Environmental Laws which violation has not been remedied or cured on or prior to the date hereof.

3.16. Compliance with Laws. Seller has complied and is in compliance with all federal, state and local laws, rules, regulations and ordinances applicable to the System, except for such noncompliance which would not have a Material Adverse Effect.

3.17. Conduct of Business in Ordinary Course. Except as set forth on Schedule 3.17, since December 31, 1996, (i) Seller has conducted the business and operations of the System only in the ordinary course; (ii) Seller has not suffered any changes, events or conditions that, individually or in the aggregate, have had a Material Adverse Effect; (iii) except for assets or properties retired due to obsolescence, there has been no sale, assignment or transfer of any material assets or properties related to the System, or any theft, damage, removal of property, destruction or casualty loss that has not been repaired, replaced or restored by Seller and that, individually or in the aggregate, has had a Material Adverse Effect; and (iv) there has been no waiver or release of any material right or claim of Seller against any third party.

3.18. FCC and Copyright Compliance.

3.18.1. Seller is permitted under all applicable FCC rules, regulations and orders to distribute the transmissions (whether television, satellite, radio or otherwise) of video programming or other information that the Seller makes available to customers of the System presently being carried to the customers of and by the System and to utilize all carrier frequencies generated by the operations of the System, and is licensed to operate all the facilities required by law to be licensed, including, without limitation, any business radio and any cable television relay service system, being operated as part of the System. Except as provided in Schedule 3.18, Seller's operation of the System and of any FCC-licensed or registered facility used in conjunction with Seller's operation of the System, is in compliance with the FCC's rules and regulations and the provisions of the Communications Act, except for such noncompliance that would not have a Material Adverse Effect, and all required reports of Seller to the FCC are materially true and correct and have been timely filed. Seller makes no representation or warranty with respect to the effect of the cable television industry-wide dispute concerning music licensing fees.

3.18.2. Seller has deposited with the U.S. Copyright Office all statements of account and other documents and instruments, and paid all royalties, supplemental royalties, fees and other sums to the U.S. Copyright Office under the Copyright Act of 1976, as amended (the "Copyright Act"), with respect to the business and operations of the System as are required to obtain, hold and maintain the compulsory license for cable television systems prescribed in Section 111 of the Copyright Act. The System is in compliance with the Copyright Act and the rules and regulations of the U.S. Copyright Office, except for such noncompliance that would not have a Material Adverse Effect and except as to potential copyright liability arising from the performance, exhibition or carriage of any music on the System. To the knowledge of Seller, there is no inquiry, claim, action or demand pending before the U.S. Copyright Office or from any other party which questions the copyright filings or payments made by Seller with respect to the System.

3.18.3. All necessary FAA approvals have been obtained with respect to the height and location of towers used in connection with the operation of the System and are listed in Schedule 3.4. The towers are being operated in compliance with applicable FCC and FAA rules, except for such noncompliance that would not have a Material Adverse Effect.

3.18.4. 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) have a Material Adverse Effect and except as set forth in Schedule 3.18 hereto:

(i) the Franchise areas have been registered with the FCC;

(ii) all of the annual performance tests on the System required under the rules and regulations of the FCC have been performed and the results of such tests demonstrate satisfactory compliance in all material respects;

(iii) the System currently meets or exceeds the technical standards set forth in the rules and regulations of the FCC, including, without limitation, the leakage limits contained in 47 C.F.R. Section 76.605(a)(11);

(iv) the System is being operated in compliance with the provisions of 47 C.F.R. Sections 76.6 10 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) all notices to subscribers of the System required by the rules and regulations of the FCC have been provided.

3.18.5. Except as set forth on Schedule 3.18, the carriage of all television and radio station signals (other than satellite super stations) by the System are permitted by valid transmission consent agreements or by must-carry elections by broadcasters.

3.18.6. Seller is in compliance with its obligations with regard to the protection of subscriber privacy pursuant to Section 631 of the Communications Act except to the extent that failure to so comply could not (either individually or in the aggregate) reasonably be expected to have a Material Adverse Effect.

3.18.7. No Governmental Authority has notified Seller of its application to be certified to regulate rates with respect to the System as provided in 47 C.F.R. Section 76.910.

3.18.8. No Governmental Authority has notified Seller that it has been certified and has adopted regulations required to commence regulation with respect to the System as provided in 47 C.F.R. Section 76.910(c)(2).

3.18.9. Seller has established rates charged to customers that are permitted rates under rules and regulations promulgated by the FCC under the Communications Act, and any authoritative interpretation thereof, except as set forth in Schedule 3.18.

3.18.10. No Governmental Authority has an order outstanding requiring the Seller to reduce rates or issue refunds to subscribers.

3.19. Assets. Seller has no properties or assets used or held for use in the System that are not included in the Assets, other than the Excluded Assets, and except for the Excluded Assets, the Assets to be transferred to Buyer at Closing include all material properties and assets necessary for the conduct of the business of the System in the ordinary course of business in substantially the same manner as conducted prior to the Closing Date.

3.20. Bonds. Seller has in force all bonds required to be obtained by Seller with respect to the System, including without limitation all bonds required by Governmental Permits and Contracts, as set forth on Schedule 3.20. Schedule 3.20 is true, complete and accurate in all material respects and the bonds referred to therein are in full force and effect, and Seller has received no notice of non-renewal or cancellation of such bonds.

3.21. Accounts Receivable. The Accounts Receivable have not been assigned to or for the benefit of any other person. The Accounts Receivable reflected in the Financial Statements and all Accounts Receivable arising after the dates thereof up to and including the Closing Date (to the extent not heretofore or theretofore collected) arose and will arise from bona fide transactions in the ordinary course of business.

3.22. Intangibles. Except as set forth on Schedule 3.22, Seller owns or possesses royalty free licenses or other rights to use all trademarks, service marks and trade names necessary to the operation of the System as presently conducted without any conflict with, or infringement of, the rights of others. Schedule 3.22 contains a true, correct and complete list of all trademarks, service marks and trade names which are material to the operation of the System. There is no claim pending, or, to Seller's knowledge, threatened with respect to any such trademarks, service marks and trade names.

3.23. No Other Authorizations. Seller has obtained and is in compliance with all consents, approvals, authorizations, waivers, orders, licenses, certificates, permits and franchises (collectively, "Authorizations") from all Governmental Authorities and other persons required for the operation of the System as presently operated, all of which are in full force and effect and enforceable in accordance with their respective terms and comply with all applicable legal requirements, except for such Authorizations that if not obtained would not have a Material Adverse Effect, and except for such noncompliance that would not have a Material Adverse Effect.

3.24. No Undisclosed Liabilities. Except as and to the extent set forth on Schedule 3.24, Seller does not have any liability or obligation (direct or indirect, absolute, fixed, contingent or otherwise) arising out of the Assets or operation of the System which would be required by generally accepted accounting principles to be reflected or reserved on the Financial Statements but which are not so reflected or reserved, and Seller has not incurred any such liability or obligation since December 31, 1996 other than in the ordinary course of business.

3.25. Liabilities to Customers. There are no obligations or liabilities to customers of the System except with respect to (i) prepayments or deposits made by such customers as set forth in the Financial Statements or, since December 31, 1996, incurred in the ordinary course of business consistent with past practices, and (ii) the obligation to supply services to customers in the ordinary course of business in accordance with and pursuant to the terms of the Governmental Permits and Contracts.

3.26. Restoration. No property of any third party has been damaged, destroyed, disturbed or removed in the process of construction or maintenance of the System that has not been, or will not be, prior to the Closing, repaired, restored or replaced, other than in connection with installation and work projects undertaken in the ordinary course of business and on-going as of Closing.

3.27. Overbuilds. To the knowledge of Seller and except as set forth in Schedule 3.27, (i) no construction programs have been undertaken or are proposed or threatened to be undertaken by any municipality or other cable television, multichannel multipoint distribution system or multipoint distribution system provider or operator in any Franchise area served by the System; and (ii) no franchise or other application or request of any person is pending, threatened or proposed. Except as set forth on Schedule 3.27, Seller is not, nor is an affiliate of Seller, a party to any agreement restricting the ability of a third party to operate cable television systems in the Franchise areas.

4. REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller as of the date of this Agreement and as of the Closing Date, as follows:

4.1. Organization, Standing and Authority. Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware. Buyer has the requisite company power and authority to execute and deliver this Agreement and to perform and comply with all of the terms, covenants and conditions to be performed and complied with by Buyer hereunder and thereunder.

4.2. Authorization and Binding Obligation. Buyer has the company power and authority to execute and deliver this Agreement and to carry out and perform all of its other obligations under the terms of this Agreement. All company action by Buyer necessary for the authorization, execution, delivery and performance by Buyer of this Agreement has been taken. This Agreement has been duly executed and delivered by Buyer and this Agreement constitutes the valid and legally binding obligation of Buyer, enforceable against it in accordance with its terms, except (i) as rights to indemnity, if any, thereunder may be limited by federal or state securities laws or the public policies embodied therein; (ii) as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws from time to time in effect affecting the enforcement of creditors' rights generally; and (iii) as the remedy of specific performance and injunctive and other forms of equitable relief may be subject to equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

4.3. Absence of Conflicting Agreements. Subject to obtaining the Consents listed on Schedule 3.8, the execution, delivery and performance of this Agreement by Buyer will not: (i) require the consent, approval, permit or authorization of, or declaration to or filing with any

Governmental Authority or any other third party; (ii) violate the articles of organization or operating agreement of Buyer; (iii) violate any material law, judgment, order, ordinance, injunction, decree, rule or regulation of any Governmental Authority; or (iv) conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any material agreement, instrument, license or permit to which Buyer is a party or by which Buyer may be bound, such that Buyer could not perform hereunder and acquire or operate the Assets.

4.4. Buyer Qualification. Buyer knows of no reason why it cannot become the franchisee pursuant to the Franchises, and to its knowledge has the requisite qualifications to own and operate the System.

5. COVENANTS OF THE PARTIES

5.1. Conduct of the Business of the System. Except as contemplated by this Agreement, disclosed on Schedule 5.1 or with the prior written consent of Buyer (which consent shall not be unreasonably withheld or delayed), between the date hereof and the Closing Date, Seller shall operate the System in the ordinary course of business in accordance with past practices and shall:

5.1.1. Not enter into any contract or commitment, except for any contract or commitment entered into in the ordinary course of business and that involves liabilities under such contract or commitment not exceeding $5,000 per year;

5.1.2. Not sell, assign, lease or otherwise dispose of any of the Assets, except for assets consumed or disposed of in the ordinary course of business, where no longer used or useful in the business or operations of the System or in conjunction with the acquisition of replacement property of equivalent kind and value;

5.1.3. Not create, assume or permit to exist any claim, liability, mortgage, lien, pledge, condition, charge or encumbrance upon the Assets, except for Permitted Encumbrances;

5.1.4. Not implement any retiering or repackaging of channels, change customer rates, or change billing, disconnect or marketing practices (other than customary marketing practices conducted in the ordinary course of business);

5.1.5. Maintain the Assets, including the plant and equipment related thereto, in good operating condition consistent with past practices (normal wear and tear excepted), and implement any capital expenditures required in connection with such maintenance consistent with past practices;

5.1.6. Maintain all bonds and casualty and liability insurance relating to the System as in effect on the date of this Agreement;

5.1.7. Keep all of its business books, records and files relating to the System in the ordinary course of business in accordance with past practices, and pay, consistent with past practices, all accounts payable and other debts, liabilities and obligations relating to the System;

5.1.8. Continue to implement its customary procedures for disconnection and discontinuance of service to System customers whose accounts are delinquent in accordance with those procedures in effect on the date of this Agreement;

5.1.9. Not permit the amendment or cancellation of any of the Governmental Permits or Contracts (other than those constituting Excluded Assets) which would have a Material Adverse Effect;

5.1.10. Maintain inventories of equipment, cable and supplies at normal levels consistent with past practices, as described on Schedule 3.6;

5.1.11. Not increase the compensation or change any benefits available to employees of Seller who work in the System except as required pursuant to existing written agreements or except in the ordinary course of business consistent with past practice;

5.1.12. Report and write off Accounts Receivable in accordance with past practices;

5.1.13. Withhold and pay when due all Taxes relating to employees of the System, the Assets, and/or the System;

5.1.14. Maintain service quality of the System consistent with past practices; and

5.1.15. File with the FCC all material reports required to be filed under applicable FCC rules and regulations, and otherwise comply with all material legal requirements with respect to the System.

5.2. Access to Information. Seller shall allow Buyer and its authorized representatives reasonable access upon reasonable advance notice at Buyer's expense during normal business hours to the Assets and to all other properties, equipment, books, records, Contracts and documents relating to the System for the purpose of inspection, and furnish or cause to be furnished to Buyer or its authorized representatives all information with respect to the affairs and business of the System as Buyer may reasonably request, it being understood that the rights of Buyer hereunder shall not be exercised in such a manner as to interfere with the operations of Seller's business. Without limiting the generality of the foregoing, Buyer shall have access to all documents and information and reasonable access to books, records and employees necessary to permit Buyer to verify, to its reasonable satisfaction, the representations and warranties of the Seller contained herein, including without limitation that (i) all offset frequencies relating to the System are in place and (ii) the System is otherwise in compliance with all applicable legal requirements, and Buyer shall be permitted to conduct (if it so desires) a signal leakage rideout and follow up and such other tests as Buyer shall deem necessary to verify the foregoing.

5.3. Confidentiality. Each party shall keep secret and hold in confidence for a period of one and one-half years following the date hereof, any and all information relating to the other party that is proprietary to such other party, including without limitation proprietary information, contacts, marketing information, technical information, product or service concepts, subscriber information, rates, financial information, ideas, concepts and research and development (collectively, "Confidential Information"). Confidential Information does not include any item of information that (i) is publicly known at the time of its disclosure, (ii) is lawfully received from a third party not known by a party hereto to be bound in a confidential relationship with the other party hereto, (iii) is published or otherwise made known to the public by any source other than a party bound by the provisions hereof, or (iv) was generated independently. Buyer and Seller agree that Confidential Information received from the other shall be used solely in connection with the transactions contemplated by this Agreement. Buyer and Seller each agrees that it shall treat confidentially and not directly or indirectly divulge, reveal, report, publish, transfer or disclose, for any purposes whatsoever, all or any portion of the Confidential Information disclosed to it by the other, other than (x) information that is required to be disclosed by applicable law or judicial order, (y) disclosures made by any party to its directors, officers, employees, attorneys, accountants, members, lenders and accredited potential investors (excluding any potential investors that are competitors of the System) and other agents that need the information in connection with the evaluation and consummation of the transactions contemplated herein, or (z) disclosures made by any party as shall be reasonably necessary in connection with obtaining the Consents; provided, however, in connection with disclosure of Confidential Information under (x) and (z) hereof, the disclosing party shall give the other party hereto timely prior notice of the anticipated disclosure and the parties shall cooperate in designing reasonable procedural and other safeguards to preserve, to the maximum extent possible, the confidentiality of such material; and provided, further, in connection with disclosure of Confidential Information under (y) hereof, that Seller and Buyer, as the case may be, shall be fully liable for any breach of this provision by any such persons.

5.4. Publicity. Neither party hereto will issue any press release or otherwise make any public statement with respect to this Agreement and the transactions contemplated hereby without the prior consent of the other, except as may be required by applicable laws, in which event the party required to make the release or announcement shall, if possible, allow the other party reasonable time to comment on such release or announcement in advance of such issuance.

5.5. Consents. Following the execution hereof, Seller shall make such applications to the Franchising Authorities and other third parties whose Consents are listed on Schedule 3.8 required for the consummation hereof, and shall otherwise use its commercially reasonable efforts to obtain the Consents as expeditiously as possible, but in no event shall Seller be required, as a condition of obtaining such Consents, to expend any monies on, before or after the Closing Date (other than customary application and filing fees, professional fees and expenses incurred in connection with the efforts to obtain such Consents), or to offer or grant any accommodations or concessions adverse to Seller. Buyer shall use its commercially reasonable efforts to promptly assist Seller and shall take such prompt and affirmative actions as may reasonably be necessary in obtaining such Consents and shall cooperate with Seller in the preparation, filing and prosecution of such applications as may reasonably be necessary, including, without limitation, making management and other personnel of

Buyer available to assist in obtaining such Consents. The parties agree to use commercially reasonable efforts to obtain consents to the transfer of the cable television Franchises in substantially the form attached hereto as Exhibit C. Seller shall not agree to any change in any Franchise more burdensome than currently exists as a condition to obtaining any authorization, consent, order or approval necessary for the transfer of such Franchise unless Buyer shall otherwise consent; provided, however, that Buyer, and not Seller shall bear the cost and expense of any conditions imposed by Franchising Authorities on Franchise transfers to which Buyer has consented. Buyer acknowledges that Franchising Authorities and third parties to Contracts may impose bond, letter of credit, indemnity and insurance requirements pursuant to the current terms of the Franchises and Contracts as a condition to giving their consent to assignment or transfer thereof. Notwithstanding anything to the contrary contained in this Section 5.5, and regardless of whether any of such bond, letter of credit, indemnity or insurance requirements have been waived with respect to Seller, Buyer shall be obligated to accept any such conditions. In addition, Buyer acknowledges that Franchising Authorities may also modify the bond, indemnity and insurance provisions of the Franchises or may impose penalty provisions and other similar provisions to the appropriate Franchise as a condition to giving their consent to assignment or transfer thereof. Notwithstanding anything to the contrary contained in this Section 5.5, Buyer shall be obligated to accept any such conditions as long as the requirements are reasonable and customary in the industry for similarly situated cable system operators in terms of size and financial and operating qualifications. Notwithstanding anything to the contrary contained in this Section 5.5, Buyer acknowledges that it shall be obligated to deliver to Franchising Authorities and third parties to Contracts bonds and letters of credit in amounts no less than the amounts of such bonds and letters of credit delivered by Seller and set forth on Schedule 3.20, even if such amounts are not specified in the Franchises or Contracts or are in amounts in excess of those required by the terms of the Franchises and Contracts. Buyer agrees that it shall not, without the prior written consent of Seller (which may be withheld at Seller's sole discretion), seek amendments or modifications to Franchises or Contracts. Buyer shall, at Seller's request, promptly furnish Seller with copies of such documents and information with respect to Buyer, including financial information and information relating to the cable and other operations of Buyer and any of its affiliated or related companies, as Seller may reasonably request in connection with the obtaining of any of the Consents or as may be reasonably requested by any person in connection with any Consent. Notwithstanding anything to the contrary contained in this Section 5.5, Seller's obligations hereunder with respect to pursuing any Consent to the transfer of pole attachment or conduit contracts shall be fully satisfied if Buyer has executed a new contract with the respective pole company or if such pole company has indicated in writing that it is willing to execute a new contract with Buyer.

5.6. Cooperation. Buyer agrees that Seller's transfer of the Assets to Buyer shall be accomplished in a manner that will enable Seller to qualify the transfer as part of a like-kind exchange of property within the meaning of Section 1031 of the Code. Buyer shall, at no expense to Buyer, cooperate with Seller on and prior to the Closing Date, which cooperation shall include, without limitation, the manner in which the Purchase Price and Deposit is paid and the Assets are transferred through the qualified Escrow Agent and a Qualified Intermediary, to enable Seller to qualify the transfer of Assets as part of a like-kind exchange of property within the meaning of Section 1031 of the Code.

5.7. Taxes, Fees and Expenses. Buyer and Seller shall each pay one-half of all sales, use, transfer, purchase taxes and fees, filing fees, recordation fees and application fees, if any, arising out of the transactions contemplated herein. Each party shall pay its own expenses incurred in connection with the authorization, preparation, execution and performance of this Agreement, including all fees and expenses of counsel, accountants, agents and other representatives.

5.8. Brokers. Each of Buyer and Seller represents and warrants that neither it nor any person or entity acting on its behalf has incurred any liability for any finders' or brokers' fees or commissions in connection with the transaction contemplated by this Agreement, except that Seller has retained Daniels & Associates whose fees shall be paid by Seller. Buyer agrees to indemnify and hold harmless Seller against any fee, commission, loss or expense arising out of any claim by any broker or finder employed or alleged to have been employed by it, and Seller agrees to indemnify and hold harmless Buyer against any fee, commission, loss or expense arising out of any claim by Daniels & Associates and any other broker or finder employed or alleged to have been employed by it.

5.9. Risk of Loss.

5.9.1. The risk of loss, damage or destruction to the System from fire, theft or other casualty or cause shall be borne by Seller at all times up to completion of the Closing. It is expressly understood and agreed that in the event of any material loss or damage to any material portion of the Assets from fire, casualty or other cause prior to the Closing, Seller shall promptly notify Buyer of same in writing. Such notice shall report the loss or damage incurred, the cause thereof, if known, and the insurance coverage related thereto.

5.9.2. Notwithstanding anything to the contrary contained in this Agreement, including without limitation the provisions of Sections 8.1.2 and 8.1.3, in the event of any loss or damage to the System prior to the Closing, Seller shall promptly restore, replace or repair the damaged Assets to their previous condition at Seller's sole cost and expense. In the event such loss or damage shall not be restored, replaced or repaired by the Closing Date, the Closing Date shall be postponed (but not to a date later than February 28, 1998), to permit the restoration, repair or replacement of the damaged or lost Assets.

5.9.3. In the event such loss or damage to the System shall not have been restored, replaced or repaired by February 28, 1998, Buyer shall, at its option:

(i) Proceed with the Closing and accept the Assets in their then condition, in which event Seller shall pay or assign to Buyer all proceeds of insurance theretofore received or to be received as a result of such loss or damage, and the Purchase Price shall be reduced by an amount equal to the difference between the amount of such insurance proceeds and the fair market value of such loss or damage as reasonably agreed by the parties; or

(ii) Terminate this Agreement by notice to Seller, in which event there shall be no Closing and this Agreement and all the terms and provisions hereof shall thereupon be deemed null and void and Buyer shall be entitled to a return of the Deposit plus accrued interest, whereupon the parties shall have no further liability to each other.

5.10. Employee Benefit Matters.

5.10.1. It is clearly understood that Buyer has no obligation to employ any of Seller's employees employed at the System and that Seller shall be responsible for and shall cause to be discharged and satisfied in full all amounts owed to any employee, including without limitation, wages, salaries, any employment, incentive, compensation or bonus agreements or other benefits or payments on account of termination. Buyer, which as noted above has no obligations to hire any of Seller's employees at the System, agrees that it will provide Seller with notice of which employees of the System Buyer intends to hire (the "Transferred Employees") at least 45 days before the Closing Date. From the date of this Agreement until 180 days after Closing, Seller agrees that it shall not, and that it shall use its best efforts to cause Cox Communications, Inc. and its affiliates to not, solicit any employees of the System for the purpose of retaining and reassigning such employees.

5.10.2. As of the Closing Date, Seller shall terminate employment of all Transferred Employees.

5.10.3. Buyer shall offer health plan coverage to all of the full-time Transferred Employees, on terms and conditions generally applicable to all of Buyer's employees. For purposes of providing such coverage, Buyer shall waive all preexisting condition limitations for all such employees of the System covered by the Seller's health care plan as of the Closing Date who have been employed by Seller for at least six months as of the Closing Date (other than preexisting conditions which were excluded by Seller's health care plan) and shall provide such health care coverage effective as of the Closing Date without the application of any eligibility period for coverage. In addition, Buyer shall credit all employee payments toward deductible and co-payment obligation limits under Seller's health care plans for the plan year which includes the Closing Date as if such payments had been made for similar purposes under Buyer's health care plans during the plan year which includes the Closing Date, with respect to Transferred Employees, provided Buyer receives proof of such payments if required by Buyer's health care plans.

5.10.4. For each Transferred Employee, Buyer shall give past service credit for all crediting purposes under such of its employee benefit plans that, on or after the Closing Date, provides coverage to Transferred Employees, in accordance with Buyer's benefit plans. For each Transferred Employee, to the extent Buyer shall have received an adjustment pursuant to Section 2.5.1, Buyer shall honor all accrued vacation not taken by such employee for the calendar year in which the Closing occurs.

5.10.5. Within a reasonable period of time after the Closing, Seller shall transfer from the Cox Communications, Inc. Savings and Investment Plan ("Seller's 401(k) Plan") to the Mediacom California LLC 401(k) Plan ("Buyer's 401(k) Plan") an amount equal to the aggregate account balances held in the Seller's 401(k) Plan as of the date of transfer with respect to all

Transferred Employees. The transfer of assets contemplated by this Section 5.10.5 shall be in cash or a combination of cash and in kind, as may be mutually agreeable to Seller and Buyer; provided, that Buyer shall be obligated to accept as a part of such transfer any promissory notes with respect to Transferred Employees that have taken participant loans from the Seller's 401(k) Plan that are outstanding as of the Closing Date. Prior to the date of such transfer, and as preconditions thereto: (i) Seller shall deliver to Buyer a copy of the most recently issued IRS determination letter (or other proof reasonably satisfactory to counsel for Buyer) that the Seller's 401(k) Plan is qualified under the Code, and (ii) Buyer shall deliver to Seller a copy of the most recently issued IRS determination letter (or other proof reasonably satisfactory to counsel for the Seller) that the Buyer's 401(k) Plan is qualified under the Code. Seller shall not take any action with respect to the Seller's 401(k) Plan to create a right on behalf of the Transferred Employees to distribution of plan assets from the Seller's 401(k) Plan prior to such transfer. Subsequent to the transfer of assets to the Buyer's 401(k) Plan, neither Seller nor the Seller's 401(k) Plan shall retain any liability with respect to such Transferred Employees to provide them with benefits in accordance with the terms of the Seller's 401(k) Plan. Notwithstanding the foregoing, in the event Buyer determines that a transfer of assets would require one or more amendments to the Buyer's 401(k) Plan to comply with the requirements of Section 411(d)(6) of the Code, no transfer of assets to the Buyer's 401(k) Plan will be required unless Buyer, in its sole discretion, consents to making such amendment(s). On or prior to the Closing Date, Seller shall deliver to Buyer a list of all Transferred Employees, indicating thereon the total amount deferred in pre-tax dollars to the Seller's 401(k) Plan by each Transferred Employee under the terms of Section 402(g) of the Code with respect to the plan year of the Seller's 401(k) Plan in which the Closing occurs. Seller and Buyer agree to cooperate with respect to any government filing, including, but not limited to, the filing of IRS Forms 5310-A, if necessary, to effect the transfer of assets contemplated by this Section 5.10.5.

5.10.6. Promptly upon Seller's written request, Buyer shall reimburse Seller for one-half of the total amount of severance payments that Seller is obligated to pay, pursuant to the severance benefits plan disclosed as Item 5 on Schedule 3.11, to any of the Seller's employees as to which Buyer notifies Seller, pursuant to Section 5.10.1 above, that it intends to hire at Closing, if Buyer fails to hire any such employees on the Closing Date. In addition, if Buyer discharges without cause any Transferred Employees within 90 days of Closing, if Seller or an affiliate of Seller does not hire such employees within 60 days of discharge by Buyer, and if such employees would have been entitled to severance payments pursuant to Seller's severance benefits plan if such employees had been discharged without cause by Seller in accordance with Section 5.10.2 and not been hired by Buyer as of Closing, then Buyer and Seller shall pay severance payments to such employees in accordance with Seller's severance benefits plan listed as Item 5 on Schedule 3.11 to the extent such plan would have paid severance to any such employees if they had not been hired by Buyer at Closing, with Buyer and Seller each paying one-half of the amount of such severance payments. Except for severance payments, Buyer shall not be responsible for any other severance benefits pursuant to Seller's severance benefits plan.

5.11. <u>Bonds, Letters of Credit. Etc.</u> Buyer shall take all reasonably necessary steps, and execute and deliver all reasonably necessary documents, to insure that on the Closing Date Buyer has delivered such bonds, letters of credit, indemnity agreements and similar instruments in such amounts and in favor of such Franchising Authorities and other persons requiring the same in connection with the Governmental Permits and the Contracts.

5.12. Noncompetition. Seller covenants and agrees that, unless Buyer shall otherwise give its prior written consent, for a period of three years from the Closing Date neither it nor any of its affiliates will own, manage, operate, control or engage, directly or indirectly, in the business of operating a wireline video cable television system within the area currently serviced by the System. Notwithstanding the foregoing, nothing herein shall be construed to prohibit or restrict (i) Seller or its affiliates from directly or indirectly holding an ownership interest in or participating in the management or operations of, or acting as distributor for, PrimeStar Partners, L.P., its successors and assigns, presently offering direct broadcast satellite service nationwide, including within the area currently served by the System, or (ii) the ownership of a company's securities listed on a national securities exchange or the National Association of Securities Dealers Automated Quotations System, which (A) constitutes less than 10% of the outstanding voting stock of such company, (B) does not constitute control over such company and (C) is held solely for investment purposes.

5.13. Transitional Services.

5.13.1. Seller shall provide to Buyer subscriber billing services, excluding lockbox services ("Billing Services") in connection with the System for a period of up to 12 months after the Closing Date, free of charge, to allow for conversion of existing billing arrangements. Seller shall provide reasonable cooperation and support to Buyer in connection with such conversion, including, without limitation, reasonable access to all data and information necessary for conversion planning purposes.

5.13.2. To facilitate Buyer's access to Seller's customer billing system, for a period of up to 12 months after the Closing Date, Seller shall permit Buyer to use certain computer and communications equipment located at the System and used to access Seller's customer billing system, including the material items listed on Schedule 2.2. At the end of such 12 month period or such earlier time as Buyer has completed the transition to Buyer's customer billing system, Buyer shall return to Seller such equipment.

5.14. Title Insurance. Seller shall cooperate with Buyer if Buyer elects to obtain title insurance policies or surveys on any Real Property owned in fee or leased. Buyer shall have the sole responsibility for obtaining and paying for such policies and surveys. The parties agree that the obtaining of title insurance and surveys on any Real Property shall not be a condition to the obligation of Buyer to consummate the transactions contemplated hereby.

5.15. Use of Seller's Name. For a period of up to 120 days after the Closing Date, Buyer may continue (but only to the extent reasonably necessary) to operate the System using Seller's name and all derivations and abbreviations of such name and related trade names and marks in use in the System on the Closing Date, such use to be in a manner consistent with the way in which Seller has used the names and marks. Within 120 days after the Closing Date, Buyer will discontinue using and will dispose of all items of stationery, business cards and literature bearing such names or marks. Seller will be entitled to indemnification (as provided in Section 9.3) with respect to Buyer's misuse of such names and marks.

5.16. Adverse Changes. Between the date of execution and delivery of this Agreement and the Closing Date, Seller shall give Buyer prompt written notice of any material adverse change in the condition of any of the Assets or the condition, operations or financial condition of the System or any material change in any of the information contained in the representations and warranties of Seller or information otherwise furnished to Buyer which, to the best of Seller's knowledge, occurs after the date hereof, including, without limitation, (i) any damage, destruction or loss (whether or not covered by insurance); (ii) any notice of violation, forfeiture or complaint under any Governmental Permit or Contract; (iii) any claim, action, investigation or proceeding threatened in writing or initiated relating to any rate then being charged by Seller for any service provided by the System or the carriage of or failure to carry any television broadcast signal; or (iv) anything which, if not corrected prior to the Closing Date, will prevent Seller from fulfilling any condition to Closing described herein. During such period, Seller shall consult with Buyer and keep Buyer fully informed at all times regarding any hearings or developments relating to any such claim, action, investigation or proceeding. No such furnishings of information to Buyer and no investigation by Buyer shall affect Buyer's right to rely on, or Seller's liability with respect to, any representation or warranty made in this Agreement.

5.17. Forms 394. If required, within 20 Business Days after the date of this Agreement, Seller and Buyer shall, each at its own expense, prepare and file properly prepared Applications for Franchise Authority Consent to Assignment or Transfer of Control of Cable Television Franchise FCC 394 with the Franchising Authorities and shall file all additional information required by such Franchises or applicable local legal requirements or that the Franchising Authorities deem necessary or appropriate in connection with their consideration of the request of Seller or Buyer that such authority approve of the transfer of the Franchises to Buyer.

5.18. Monthly Financial Statements. Between the date of execution and delivery of this Agreement and the Closing Date, Seller shall deliver to Buyer within 30 days after the end of each calendar month, unaudited financial reports in the form customarily prepared by Seller with respect to the System, and other reports with respect to the System, in the form customarily prepared by Seller or as Buyer may reasonably request (including, without limitation, capital expenditures to the System, reports setting forth the revenue and cash flow of the System for each month and year-to-date, customer activity information, including information on connect and disconnect requests, pay television units and homes passed), beginning as soon as practicable after the date of this Agreement. Such financial statements and other reports, if any, shall present fairly and accurately the financial condition and results of operations of Seller and the System for the period then ended and as of such dates and be prepared in accordance with generally accepted accounting principles consistently applied through the periods specified, subject to normal year end adjustments.

5.19. Reporting Requirements. Seller covenants and agrees that from time to time, upon the request of Buyer, and at the expense of Buyer (which expense shall include, without limitation, all fees of Seller's independent auditors as well as the costs of Seller's accountants), Seller shall (i) as soon as practicable make available to Buyer such financial information with respect to the System relating to periods prior to the Closing Date as Buyer may request in order to prepare any financial statements and financial statement schedules relating to the System that Buyer is required to include in any registration statement, report or other document that it files with the Securities and Exchange Commission or any state securities commission, in appropriate form as provided by applicable federal or state securities laws and the rules and regulations promulgated thereunder, and Seller shall direct its present certified public accountants, Deloitte & Touche, L.L.P., to cooperate with Buyer in connection therewith, and (ii) use its commercially reasonable efforts to obtain for Buyer as soon as practicable any consent, report, opinion or letter of accountants required to be filed in connection therewith. Notwithstanding anything to the contrary contained in this Section 5.19, Seller shall have no obligation to comply with the terms of this Section 5.19 if Seller is unable to locate or produce any such financial information after good faith efforts to do so.

5.20. Certain Retransmission Contracts. Buyer agrees to use commercially reasonable efforts to obtain authorization to carry, from and after Closing, the signals referenced in Section 6.1.9 below, and Seller shall, at no expense to Seller, cooperate with and assist Buyer in obtaining such authorization to the extent Seller reasonably deems appropriate.

6. CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYER AND SELLER TO CLOSE

6.1. Conditions Precedent to Obligations of Buyer to Close. The obligations of Buyer to consummate the transactions contemplated by this Agreement to occur at the Closing shall be subject to the satisfaction, on or before the Closing Date, of each and every one of the following conditions, all or any of which may be waived, in whole or in part, by Buyer for purposes of consummating such transactions:

6.1.1. Representations and Warranties. All representations and warranties of Seller contained in this Agreement shall be true and complete in all material respects at and as of the Closing Date as though such representations and warranties were made at and as of such time except for changes contemplated by this Agreement.

6.1.2. Covenants and Conditions. Seller shall have in all material respects performed and complied with all material covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

6.1.3. No Injunction, Etc. No action, suit or other proceeding shall have been instituted, threatened or proposed before any Governmental Authority to enjoin, restrain, prohibit or obtain substantial damages in respect of, or which is related to, or arising out of, this Agreement or the consummation of the transaction contemplated hereby.

6.1.4. Consents. Each of the following Consents shall have been duly obtained and delivered to Buyer: (i) the Consents of the Franchising Authorities listed on Schedule 3.8; (ii) the Consents of the FCC listed on Schedule 3.8, except for any FCC consent to any business radio license that Seller reasonably expects can be obtained within 120 days after the Closing and so long as a temporary authorization is available to Buyer under FCC rules with respect thereto; and (iii) such other consents as designated by an asterisk on Schedule 3.8.

6.1.5. Deliveries. Seller shall have made or stand willing and able to make all the deliveries to Buyer set forth in Section 7.3.

6.1.6. Material Adverse Effect. Between the date of this Agreement and the Closing Date, there shall have been no Material Adverse Effect.

6.1.7. Financing. The financial institutions that are providing financing to Buyer in connection with the Closing shall not have exercised the "material adverse changes" provision in their commitment letter or credit agreement (the "Bank MAC"), the exact language of such provision being set forth on Schedule 6.1.7.

6.1.8. Subscribers. As of the Closing Date, there shall be no fewer than (i) 9,000 Equivalent Subscribers, in the event the Closing is on or before August 15, 1997, or (ii) 9,100 Equivalent Subscribers, in the event the Closing is after August 15, 1997.

6.1.9. Retransmission Consents. Buyer shall have obtained authorization, on terms reasonable and customary in the industry for cable system operators and broadcast stations of similar size, to carry KCBS, KNBC, KABC, KTTV, KTLA and KCOP on the System from and after Closing.

6.2. Conditions Precedent to Obligations of Seller to Close. The obligations of Seller to consummate the transactions contemplated by this Agreement to occur at the Closing shall be subject to the satisfaction, on or before the Closing Date, of each and every one of the following conditions, all or any of which may be waived, in whole or in part, by Seller for purposes of consummating such transactions:

6.2.1. Representations and Warranties. All representations and warranties of Buyer contained in this Agreement shall be true and complete in all material respects at and as of the Closing Date as though such representations and warranties were made at and as of such time except to the extent changes are permitted or contemplated pursuant to this Agreement.

6.2.2. Covenants and Conditions. Buyer shall have in all material respects performed and complied with all material covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

6.2.3. No Injunction, Etc. No action, suit or other proceeding shall have been instituted, threatened or proposed before any Governmental Authority to enjoin, restrain, prohibit or obtain substantial damages in respect of, or which is related to, or arising out of, this Agreement or the consummation of the transaction contemplated hereby.

6.2.4. Deliveries. Buyer shall have made or stand willing and able to make all the deliveries set forth in Section 7.4.

7. CLOSING AND CLOSING DELIVERIES

7.1. Closing. The Closing shall take place at 10:00 a.m. on a date to be mutually agreed upon, not fewer than five and not more than 15 Business Days following the date upon which the conditions set forth in Section 6.1.4 hereof shall have been satisfied, or on such other date as Buyer and Seller may mutually agree (the "Closing Date"). Seller acknowledges that Buyer's health care plan allows for the addition of new employees only on specified days of the month, and Seller agrees to schedule the Closing Date at such time as to accommodate Buyer's obligation to provide health care plan coverage to the Transferred Employees effective as of the Closing Date. The Closing shall be held at the offices of Cooperman Levitt Winikoff Lester & Newman, P.C., 800 Third Avenue, New York, New York 10022, or will be conducted by mail or at such other place and time as the parties may agree.

7.2. Like-Kind Exchange. On the Closing Date, Buyer and Seller shall be prepared to effectuate the transfer of the Purchase Price, Deposit and Assets in a manner that enables Seller to qualify the transaction as part of a like-kind exchange of property within the meaning of Section 1031 of the Code.

7.3. Deliveries by Seller. Prior to or on the Closing Date, Seller shall deliver to Buyer the following, in form and substance reasonably satisfactory to Buyer and its counsel:

7.3.1. Transfer Documents. Duly executed warranty bills of sale, assignments and other transfer documents which shall be sufficient to vest good title to the Assets in the name of Buyer or its permitted assignees, free and clear of any claims, liabilities, mortgages, liens, pledges, conditions, charges or encumbrances of any nature whatsoever except for Permitted Encumbrances;

7.3.2. Consents. The original of each Consent listed on Schedule 3.8 subject to Section 6.1.4;

7.3.3. Officer's Certificate. A certificate, dated as of the Closing Date, executed by the President or a Vice President of Seller, certifying to his knowledge, without personal liability: (i) that the representations and warranties of Seller contained in this Agreement are true and complete in all material respects at and as of the Closing Date as though made on and as of such time, except for changes contemplated by this Agreement; and (ii) that Seller has, in all material respects, performed and complied with all material covenants, agreements and conditions required by this Agreement to be performed or complied with by Seller prior to or on the Closing Date;

7.3.4. Secretary's Certificate. A certificate, dated as of the Closing Date, executed by the Secretary of Seller, without personal liability: (i) certifying that the resolutions, as attached to such certificate, were duly adopted by Seller's Board of Directors and stockholders (if required), authorizing and approving the execution of this Agreement and the consummation of the transaction contemplated hereby and that such resolutions remain in full force and effect; (ii) certifying as to the incumbency of each signatory to this Agreement executed by Seller; and (iii) certifying that Seller is duly formed and validly existing under the laws of the State of Delaware, together with a true and complete copy of Seller's articles of incorporation, certified by the Secretary of State of the State of Delaware, and good standing certificates of recent dates from the Secretary of State of the States of California and Delaware; and

7.3.5. Opinions of Counsel. Opinions of Seller's counsel dated as of the Closing Date, substantially in the forms attached hereto as Exhibit D-1 and Exhibit D-2.

7.4. Deliveries by Buyer. Prior to or on the Closing Date, Buyer shall deliver to Seller or, at Seller's direction, to a Qualified Intermediary, the following, in form and substance reasonably satisfactory to Seller and its counsel:

7.4.1. Purchase Price. The Purchase Price, as adjusted as provided in Section 2.4 (subject to credit for the Deposit, together with interest thereon);

7.4.2. Assumption Agreements. Appropriate assumption agreements pursuant to which Buyer shall assume and undertake to perform the Assumed Liabilities;

7.4.3. Officer's Certificate. A certificate, dated as of the Closing Date, executed by a Member of Buyer, certifying to his knowledge, without personal liability (i) that the representations and warranties of Buyer contained in this Agreement are true and complete in all material respects as of the Closing Date as though made on and as of that date; and (ii) that Buyer has, in all material respects, performed all of its obligations and complied with all of its material covenants set forth in this Agreement to be performed or complied with by Buyer on or prior to the Closing Date;

7.4.4. Secretary's Certificate. A certificate, dated as of the Closing Date, executed by a Member of Buyer, without personal liability: (i) certifying that the resolutions, as attached to such certificate, were duly adopted by Buyer's management committee and/or members as required by applicable law and Buyer's articles of organization and operating agreement, authorizing and approving the execution of this Agreement and the consummation of the transaction contemplated hereby and that such resolutions remain in full force and effect; (ii) certifying as to the incumbency of each signatory to this Agreement executed by Buyer; and (iii) certifying that Buyer is duly formed and validly existing under the laws of the State of Delaware, together with a true and complete copy of Buyer's articles of organization, certified by the Secretary of State of the State of Delaware, and good standing certificates of recent dates from the Secretary of State of the States of California and Delaware; and

7.4.5. Opinion of Counsel. An opinion of Buyer's counsel dated as of the Closing Date, substantially in the form attached hereto as Exhibit E.

8. TERMINATION

8.1. Method of Termination. This Agreement constitutes the binding and irrevocable agreement of the parties to consummate the transactions contemplated hereby, subject to and in accordance with the terms hereof, the consideration for which is (i) the covenants, representations, warranties and agreements set forth in this Agreement; and (ii) the expenditures and obligations incurred and to be incurred by Buyer on the one hand, and by Seller, on the other hand, in respect of this Agreement, and this Agreement may be terminated or abandoned only as follows:

8.1.1. By the mutual consent of Seller and Buyer; or by Seller or Buyer if any condition to Closing set forth in Section 6.1.3 or 6.2.3 is not fulfilled and the failure of such condition is not a result of a breach of warranty or nonfulfillment of any covenant or agreement by Buyer or Seller contained in this Agreement; or by Buyer if the condition to Closing set forth in Section 6.1.7 is not fulfilled;

8.1.2. By Buyer after November 30, 1997, if any of the conditions set forth in Section 6.1 hereof to which the obligations of Buyer are subject (other than the conditions set forth in Sections 6.1.3 and 6.1.7) have not been fulfilled or waived, and provided that the failure to fulfill such condition is not a result of a breach of warranty or nonfulfillment of any covenant or agreement by Buyer contained in this Agreement; or

8.1.3. By Seller after November 30, 1997, if any of the conditions set forth in Section 6.2 hereof to which the obligations of Seller are subject (other than the conditions set forth in Section 6.2.3) have not been fulfilled or waived, and provided that the failure to fulfill such condition is not a result of a breach of warranty or nonfulfillment of any covenant or agreement by Seller contained in this Agreement.

8.2. Rights Upon Termination.

8.2.1. In the event of a termination of this Agreement pursuant to Section 8.1.1 hereof, the Buyer shall be entitled to the return of the Deposit and all interest accrued thereon, each party shall pay the costs and expenses incurred by it in connection with this Agreement, and no party (or any of its officers, directors, members, employees, agents, representatives or stockholders) shall be liable to any other party for any cost, expense, damage or loss of anticipated profits hereunder.

8.2.2. In the event of a termination of this Agreement pursuant to Section 8.1.2 hereof, Buyer shall be entitled to the return of the Deposit and all interest accrued thereon and, if Seller is in breach of this Agreement, also shall have the right to seek all remedies available to it as provided hereunder or at law or equity, including the remedy of specific performance; provided, however, that Buyer shall not be entitled to recover monetary damages from Seller in excess of $2,000,000 under any circumstances. In the event of any action to enforce this Agreement, Seller hereby waives the defense that there is an adequate remedy at law.

8.2.3. In the event of a termination of this Agreement pursuant to Section 8.1.3 xxxreof as a result of a breach of this Agreement by Buyer, Seller shall have the right to pursue all xxxgal or equitable remedies, other than specific performance, for breach of contract or otherwise, in xxxhich case the Deposit and all interest accrued thereon shall be applied toward any damage award, xxxt in no event shall the Deposit and any interest accrued thereon be deemed the sole source of funds xxx the recovery of any such damage award; provided, however, that Seller shall not be entitled to cover monetary damages from Buyer in excess of $2,000,000 under any circumstances. In the xxxent of any action to enforce this Agreement, Buyer hereby waives the defense that there is an equate remedy at law.

SURVIVAL OF REPRESENTATIONS AND WARRANTIES AND INDEMNIFICATION

9.1. Representations and Warranties. All representations, warranties, covenants and xxxreements contained in this Agreement or in documents or instruments delivered pursuant hereto xxxll be deemed continuing representations, warranties, covenants and agreements, and shall survive Closing Date for a period ending on the first anniversary of the Closing Date; provided, however, xxxt the representations and warranties regarding tax and environmental matters contained in xxxtions 3.13 and 3.15 and the representations and warranties regarding title to the Assets contained Sections 3.5 and 3.6 shall survive for the period of the applicable statute of limitations.

9.2. Indemnification by Seller. Seller shall indemnify and hold Buyer harmless against xxxi with respect to, and shall reimburse Buyer for:

9.2.1. Any and all losses, liabilities or damages resulting from any untrue xxxresentation, breach of warranty or nonfulfillment of any covenant by Seller contained herein;

9.2.2. Any and all obligations of Seller not assumed by Buyer pursuant to the terms xxxeof;

9.2.3. Any and all losses, liabilities or damages resulting from or relating to Seller's xxxration or ownership of the System or Assets prior to the Closing Date; and

9.2.4. Any and all actions, suits, proceedings, claims, demands, assessments, xxxgments, costs and expenses, including, without limitation, reasonable legal fees and expenses, xxxdent to any of the foregoing or incurred in investigating or attempting to avoid the same or to xxxose the imposition thereof, or in enforcing this indemnity.

9.3. Indemnification by Buyer. Buyer shall indemnify and hold Seller harmless against with respect to, and shall reimburse Seller for:

9.3.1. Any and all losses, liabilities or damages resulting from any untrue xxxesentation, breach of warranty or nonfulfillment of any covenant by Buyer contained herein;

9.3.2. Any and all of the Assumed Liabilities;

9.3.3. Any and all losses, liabilities or damages resulting from or relating to Buyer's operation or ownership of the System or Assets on and after the Closing Date; and

9.3.4. Any and all actions, suits, proceedings, claims, demands, assessments, judgments, costs and expenses, including, without limitation, reasonable legal fees and expenses, incident to any of the foregoing or incurred in investigating or attempting to avoid the same or to oppose the imposition thereof, or in enforcing this indemnity.

9.4. Procedure for Indemnification. The procedure for indemnification shall be as follows:

9.4.1. The party claiming indemnification (the "Claimant") shall promptly give notice to the party from whom indemnification is claimed (the "Indemnifying Party") of any claim, whether between the parties or brought by a third party, specifying (i) the factual basis for such claim; and (ii) the estimated amount of the claim. If the claim relates to an action, suit or proceeding filed by a third party against Claimant, such notice shall be given by Claimant within five days after written notice of such action, suit or proceeding was given to Claimant; provided that failure to give such notice within such five-day period shall not bar or otherwise prejudice Claimant's rights to indemnification with respect to such third-party action, suit or proceeding unless any defense, claim, counterclaim or crossclaim of the Indemnifying Party is prejudiced thereby.

9.4.2. Following receipt of notice from the Claimant of a claim (other than a claim brought by a third party), the Indemnifying Party shall have 30 days to make such investigation of the claim as the Indemnifying Party deems necessary or desirable. For the purposes of such investigation, the Claimant agrees to make available to the Indemnifying Party and/or its authorized representative(s) the information relied upon by the Claimant to substantiate the claim. If the Claimant and the Indemnifying Party agree at or prior to the expiration of said 30-day period (or any mutually agreed upon extension thereof) to the validity and amount of such claim, the Indemnifying Party shall immediately pay to the Claimant the full amount of the claim subject to the terms and in accordance with the procedures set forth herein. If the Claimant and the Indemnifying Party do not agree within said period (or any mutually agreed upon extension thereof), the Claimant may seek appropriate legal or equitable remedy.

9.4.3. With respect to any claim by a third party as to which the Claimant is entitled to indemnification hereunder, the Indemnifying Party shall have the right at its own expense, to participate in or assume control of the defense of such claim, with counsel of its choice, and the Claimant shall cooperate fully with the Indemnifying Party. If the Indemnifying Party elects to assume control of the defense of any third-party claim, the Claimant shall have the right to participate in the defense of such claim at its own expense. In the event that the Indemnifying Party desires to compromise or settle any such claim, Claimant shall have the right to consent to such settlement or compromise; provided, however, that if such settlement or compromise is for money damages only to be paid by the Indemnifying Party, and will include a full release and discharge of Claimant, and Claimant withholds its consent to such compromise or settlement, Buyer and Seller agree that (i) the Indemnifying Party's liability shall be limited to the amount of the proposed settlement or compromise, and upon payment of such amount to Claimant, the Indemnifying Party shall thereupon be relieved of any further liability with respect to such claim, and (ii) from and after such date of payment, Claimant will undertake all legal costs and expenses in connection with any such claims. If the Indemnifying Party fails to defend any claim within a reasonable time, Claimant shall be entitled to assume the defense thereof, and the Indemnifying Party shall be liable to Claimant for its expenses reasonably incurred, including attorneys' fees and payment of any settlement amount or judgment. If the Indemnifying Party does not elect to assume control or otherwise participate in the defense of any third party claim, it shall be bound by the results obtained by the Claimant with respect to such claim.

9.4.4. If a claim, whether between the parties or by a third party, requires immediate action, the parties will make every effort to reach a decision with respect thereto as expeditiously as possible.

9.5. Limitation on Indemnification: Exclusive Remedy.

9.5.1. Seller shall not be required to indemnify Buyer under Section 9.2 until the aggregate amount of Buyer's claims exceeds $100,000 (the "Threshold Amount"), and if such claims exceed the Threshold Amount, Buyer shall be entitled to recover all of its losses, including, without limitation, the amount of the Threshold Amount.

9.5.2. Seller's liability under Section 9.2 shall be limited to losses or damages not exceeding in the aggregate $4,000,000.

9.5.3. The amount payable by Seller to Buyer with respect to Section 9.2 shall be reduced by the amount of any insurance proceeds received by Buyer with respect to losses, liabilities or damages, and each of the parties hereby agrees to use reasonable efforts to collect any and all insurance proceeds to which it may be entitled in respect to any such losses, liabilities or damages. Such amount payable shall be further reduced by the amount of any tax benefit actually realized (including by refund or by reduction or offset against taxes otherwise payable had the losses, liabilities or damages not been sustained) by Buyer (or the affiliated or combined group of which it is a member) by reason of the payment or incurrence by Buyer of the losses, liabilities or damages for which indemnity is sought or the occurrence of the event giving rise to such losses, liabilities or damages. To the extent that insurance proceeds are received and/or a tax benefit is realized after payment has been made by Seller to Buyer, Buyer shall promptly pay an amount equal to such proceeds or benefit to Seller.

9.5.4. After the Closing Date, the sole and exclusive remedy of any party for any misrepresentation or any breach of a warranty or covenant set forth in or made pursuant to this Agreement shall be a claim for indemnification under and pursuant to this Article 9.

9.5.5. Notwithstanding the foregoing, the Threshold Amount and other limitations contained in this Section 9.5 shall not apply to indemnification claims brought by Buyer relating to the liabilities of Seller that are not Assumed Liabilities ad for which Buyer did not receive a credit pursuant to Section 2.5.4.

10. MISCELLANEOUS

10.1. Notices. All notices, demands and requests required or permitted to be given under the provisions of this Agreement shall be (i) in writing; (ii) delivered by personal delivery, facsimile transmission (to be followed promptly by written confirmation mailed by certified mail as provided below) or sent by commercial delivery service or certified mail, return receipt requested; (iii) deemed to have been given on the date of personal delivery, the date of transmission and receipt of facsimile transmissions, or the date set forth in the records of the delivery service or on the return receipt; and (iv) addressed as follows:

If to Seller:	c/o Cox Communications, Inc. 1400 Lake Hearn Drive, N.E. Atlanta, Georgia 30319 Attn: Mr. John M. Dyer Facsimile No.: (404) 847-6336
With a copy to:	Dow, Lohnes & Albertson, PLLC 1200 New Hampshire Avenue, N.W. Suite 800 Washington, DC 20036-6802 Attn: Stuart A. Sheldon, Esq. Facsimile No.: (202) 776-2222
If to Buyer:	c/o Mediacom LLC 90 Crystal Run Road Suite 406-A Middletown, New York 10941 Attn: Mr. Rocco B. Commisso, Manager Facsimile No.: (914) 695-2699
With a copy to:	Cooperman Levitt Winikoff Lester & Newman, P.C. 800 Third Avenue New York, New York 10022 Attn: H. Frances Kleiner, Esq. Facsimile No.: (212) 755-2839

or to any such other persons or addresses as the parties may from time to time designate in a writing delivered in accordance with this Section 10.1.

10.2. Benefit and Binding Effect. Neither party hereto may assign this Agreement without the prior written consent of the other party; provided, however, that Seller may assign some or all of its rights but not its obligations under this Agreement to a Qualified Intermediary for purposes of effecting a like-kind exchange of property under Section 1031 of the Code without Buyer's consent. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

10.3. Bulk Transfer. Buyer acknowledges that Seller has not and will not file any bulk transfer notice or otherwise complied with applicable bulk transfer laws, and the parties agree to waive compliance with same. Seller shall indemnify and hold harmless Buyer from and against any claims or liabilities asserted against Buyer by any creditor of Seller or the System by reason of such noncompliance.

10.4. Governing Law. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of Delaware, without regard to the conflicts of law principles of such state.

10.5. Headings. The headings herein are included for ease of reference only and shall not control or affect the meaning or construction of the provisions of this Agreement.

10.6. Gender and Number. Words used herein, regardless of the gender and number specifically used, shall be deemed and construed to include any other gender, masculine, feminine or neuter, and any other number, singular or plural, as the context requires.

10.7. Entire Agreement. This Agreement, all schedules ad exhibits hereto, and all documents and certificates to be delivered by the parties pursuant hereto collectively represent the entire understanding and agreement between Buyer and Seller with respect to the subject matter hereof. All schedules and exhibits attached to this Agreement shall be deemed part of this Agreement and incorporated herein, where applicable, as if fully set forth herein. This Agreement supersedes all prior negotiations between Buyer and Seller with respect to the transaction contemplated hereby, and all letters of intent and other writings relating to such negotiations, and cannot be amended, supplemented or modified except by an agreement in writing which makes specific reference to this Agreement or an agreement delivered pursuant hereto, as the case may be, and which is signed by the party against which enforcement of any such amendment, supplement or modification is sought.

10.8. Cooperation and Further Assurances. Buyer and Seller shall cooperate fully with each other and their respective counsel and accountants in connection with any actions required to be taken as part of their respective obligations under this Agreement, and Buyer and Seller shall execute such other documents as may be necessary and desirable to the implementation and consummation of this Agreement, and otherwise use diligent efforts to consummate the transaction contemplated hereby and to fulfill their obligations hereunder. Each party covenants that at any time, and from time to time, after the Closing Date, it will execute such additional instruments and take such actions as may be reasonably requested by the other parties to confirm or perfect or otherwise to carry out the intent and purposes of this Agreement.

10.9. Waiver of Compliance; Consents. Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement or condition herein may be waived by the party entitled to the benefits thereof, but such waiver or failure to insist upon strict compliance with such obligation, representation, warranty, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

10.10. Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law; provided however that the economic and legal substance of the transactions contemplated by this Agreement is not affected in any manner that is materially adverse to any party affected by such invalidity or unenforceability.

10.11. Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signature on each such counterpart were upon the same instrument.

10.12. No Third Party Beneficiaries. This Agreement constitutes an agreement solely among the parties hereto, and, except as otherwise provided herein, is not intended to and will not confer any rights, remedies, obligations or liabilities, legal or equitable on any person other than the parties hereto and their respective successors or assigns, or otherwise constitute any person a third party beneficiary under or by reason of this Agreement.

10.13. Construction. This Agreement has been negotiated by Buyer and Seller and their respective legal counsel, and legal or equitable principles that might require the construction of this Agreement or any provision of this Agreement against the party drafting this Agreement shall not apply in any construction or interpretation of this Agreement.

10.14. Time of the Essence. Time is of the essence under this Agreement. If the last day permitted for the giving of any notice or the performance of any act required or permitted under this Agreement falls on a day that is not a Business Day, the time for the giving of such notice or the performance of such act will be extended to the next succeeding Business Day.

10.15. Definition of Knowledge. References in this Agreement to "to the knowledge of Seller," "to Seller's knowledge," "of which Seller has knowledge" and the like shall mean the actual knowledge of John M. Dyer, Vice President--Financial Planning and Analysis of Cox Communications, Inc., David J. Head, Director of Investment Planning of Cox Communications, Inc., and Mark Stucky, Director of Public Affairs for Orange County of CoxCom, Inc.

10.16. Cure. Each party will promptly notify the other of any fact, event, circumstance or action the existence or occurrence of which would cause any of such party's representations or warranties under this Agreement not to be true and correct in any material respect. Notwithstanding the foregoing, for all purposes under this Agreement, the existence or occurrence of any event or circumstance that constitutes a breach of a representation or warranty or the nonfulfillment of any pre-Closing covenant or agreement of Buyer or Seller contained in this Agreement (including, without limitation, the schedules hereto) on the date such representation or warranty is made or the fulfillment of such pre-Closing covenant or agreement is due, shall not constitute a breach of such representation or warranty or the nonfulfillment of such pre-Closing covenant or agreement if such event or circumstance is cured on or prior to the Closing Date.

IN WITNESS WHEREOF, this Agreement has been executed by Buyer and Seller as of the date first above written.

BUYER:

MEDIACOM CALIFORNIA LLC

By: Mediacom LLC, a member

By: /s/ Rocco B. Commisso

Name: Rocco B. Commisso
Title: Manager

SELLER:

COXCOM, INC.

By:

Name: John M. Dyer
Title: Vice President

GUARANTY

MEDIACOM LLC hereby unconditionally guarantees the full and timely payment and performance by Buyer of Buyer's obligations set forth in the foregoing Asset Purchase Agreement and in all other agreements and instruments hereafter executed in connection with the transactions contemplated therein. The guarantee provided herein is an absolute and continuing guarantee and shall not be affected by any amendment of the foregoing Asset Purchase Agreement, or any renewal or extension of the time for performance by Buyer of any of its obligations thereunder, or any indulgences or waivers with respect thereto. Mediacom LLC hereby waives presentment for payment or performance, notice of nonpayment or nonperformance, demand and protest.

MEDIACOM LLC

By: /s/ Rocco B. Commisso

Name: Rocco B. Commisso
Title: Manager

IN WITNESS WHEREOF, this Agreement has been executed by Buyer and Seller as of the date first above written.

BUYER:

MEDIACOM CALIFORNIA LLC

By: Mediacom LLC, a member

By: ______________________________
Name: Rocco B. Commisso
Title: Manager

SELLER:

COXCOM, INC.

By: /s/ John M. Dyer
Name: John M. Dyer
Title: Vice President

GUARANTY

MEDIACOM LLC hereby unconditionally guarantees the full and timely payment and performance by Buyer of Buyer's obligations set forth in the foregoing Asset Purchase Agreement and in all other agreements and instruments hereafter executed in connection with the transactions contemplated therein. The guarantee provided herein is an absolute and continuing guarantee and shall not be affected by any amendment of the foregoing Asset Purchase Agreement, or any renewal or extension of the time for performance by Buyer of any of its obligations thereunder, or any indulgences or waivers with respect thereto. Mediacom LLC hereby waives presentment for payment or performance, notice of nonpayment or nonperformance, demand and protest.

MEDIACOM LLC

By: ______________________________
Name: Rocco B. Commisso
Title: Manager

EXHIBIT 10.12

ASSET PURCHASE AGREEMENT

BETWEEN

JONES CABLE INCOME FUND 1-B/C VENTURE

AND

MEDIACOM CALIFORNIA LLC

DATED

SEPTEMBER 17, 1997

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ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (the "Agreement") is made as of the 17th day of September 1997, by and between JONES CABLE INCOME FUND 1-B/C VENTURE, a Colorado general partnership ("Seller") and MEDIACOM CALIFORNIA, LLC, a Delaware limited liability company ("Buyer").

RECITALS

A. Seller owns and operates a cable television system operating in and around the communities of Clearlake and Lake Port, California (the "System").

B. Seller desires to sell, and Buyer desires to purchase, substantially all of the assets comprising the System on the terms and conditions set forth in this Agreement.

AGREEMENTS

In consideration of the mutual promises and covenants hereinafter set forth, Buyer and Seller hereby agree as follows:

1. DEFINITIONS.

As used in this Agreement, the following terms, whether in singular or plural form, shall have the following meanings:

1.1. "Accounts Receivable" means the rights of Seller to payment for any services rendered by Seller in connection with the operation of the System, including, but not limited to, advertising sales, as reflected on the billing records of Seller prior to the Selling Date.

1.2. "Assumed Contracts" means (i) all Contracts listed in Schedule 3.6 hereto designated with an asterisk to indicate that such Contracts will be assumed by Buyer; (ii) any Contracts entered into by Seller in the ordinary course of business and as permitted by this Agreement between the date hereof and the Closing Date that would have been listed on Schedule 3.6 had they been in existence on the date hereof; and (iii) all Contracts (except employee-related contracts, vehicle leases and the Contracts referred to or listed in Section 2.2) which meet the criteria set forth in Section 3.6.1 (i), (ii), (iii) or (iv) for exclusion from Schedule 3.6.

1.3. "Basic Service" means the lowest tier of service offered to subscribers of the System.

1.4. "Cable Act" means Title VI of the Communications Act of 1934, as amended. 47 U.S.C. (S)151 et seq., and all other provisions of the Cable Communications Policy Act of 1984, Pub. L. No. 98-549, the Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385, and the provisions of the Telecommunications Act of 1996 amending Title VI of the Communications Act, as such statutes may be amended from time to time, and the rules and regulations promulgated thereunder.

1.5. "Closing" means the consummation of the transaction contemplated by this Agreement in accordance with the provisions of Section 7.

1.6. "Closing Date" means the date of the Closing as determined in accordance with the provisions of Section 7.

1.7. "Code" means the Internal Revenue Code of 1986, as amended, and the regulations thereunder, or any subsequent legislative enactment thereof, as in effect from time to time.

1.8. "Consents" means all of the consents, permits or approvals of third parties required by law or contractual agreement to transfer the Assets to Buyer or otherwise to consummate lawfully the transaction contemplated hereby.

1.9. "Contracts" means all contracts, leases, private easements, private rights-of-way, multiple dwelling unit agreements, retransmission consent agreements relating to the System other than those described as Excluded Contracts, must carry notifications, pole attachment and conduit agreements, subscriber agreements and other agreements, written or oral (including any amendments and other modifications thereto) to which Seller is a party and which affect the Assets or the business or operations of the System other than those described as Excluded Contracts, and (i) which are in effect on the date hereof and which by their terms (including any renewal options exercised by Seller) are to be in effect as of the Closing Date, or (ii) which are entered into by Seller in the ordinary course of business as permitted by this Agreement between the date of this Agreement and the Closing Date and which by their terms (including any renewal options exercised by Seller) are to be in effect as of the Closing Date.

1.10. "Equivalent Basic Subscribers (or "EBSs")" means (i) the number of residential households that subscribe to Basic Service (exclusive of secondary outlets and courtesy accounts) which pay the standard rate for Basic Service in the System without discount, each of which has paid in full without discount at least one monthly bill generated in the ordinary course of business, none of which, as of the Closing Date, is pending disconnection for any reason, and none of which is, as of the Date of Closing, delinquent in payment for services for more than sixty days (provided that a customer's account shall not be considered past due as a result of unpaid amounts not exceeding $5.00 in the more than 60 day aging category) plus (ii) the number of equivalent bulk subscribers (determined by dividing the aggregate dollar amount collected from bulk/commercial accounts for Basic Service and Expanded Basic Service in the System by the combined monthly rate for residential Basic Service and Expanded Basic Service then in effect in the System), each of which has paid in full without discount at least one monthly bill generated in the ordinary course of business, none of which, as of the Closing Date, is pending disconnection for any reason, and none of which is, as of the Date of Closing, delinquent in the payment for services for more than sixty days (provided that a customer's account shall not be considered past due as a result of unpaid amounts not exceeding $5.00 in the more than 60 day aging category). The definition of Equivalent Basic Subscriber shall not include any subscriber which has been obtained within the 12 month period prior to the Closing Date by offers made, promotions conducted or discounts given outside the ordinary course of business or any subscriber which otherwise falls within the definition of an EBS because its account has been compromised or written off within the 12 month period prior to the Closing Date, other than in the ordinary course of business consistent with past practices for reasons including, but not limited, to service interruptions, but not for the purpose of making it qualify as an EBS.

1.11. "ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and rules and regulations promulgated thereunder and published interpretations with respect thereto.

1.12. "Expanded Basic Service" means any package of basic video programming provided over the System, regardless of service tier, other than (a) Basic Service, (b) premium channels or (c) pay-per-view channels.

1.13. "FCC" means the Federal Communications Commission.

1.14. "Franchises" means all municipal, county and state franchises, franchise applications (if any), authorizations, ordinances and permits relating to the System, other than the Licenses.

1.15. "Governmental Authority" means (i) the United States of America, any state, commonwealth, territory, or possession thereof and any political subdivision or quasi-governmental authority of any of the same, including but not limited to courts, tribunals, departments, commissions, boards, bureaus, agencies, counties, municipalities, provinces, parishes, and other instrumentalities, and (ii) any foreign (as to the United States of America) sovereign entity, including but not limited to nations, states, republics, kingdoms and principalities, any state, province, commonwealth, territory or possession thereof, and any political subdivision, quasi-governmental authority, or instrumentality of any of the same.

1.16. "Hazardous Substances" means (i) any "hazardous waste" as defined by the Resources Conservation and Recovery Act of 1976 ("RCRA") (42 U.S.C. (S)6901 et seq.), as amended, and rules and regulations promulgated thereunder; (ii) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. (S) 9601 et seq.) ("CERCLA"), as amended, and rules and regulations promulgated thereunder; (iii) any substance regulated by the Toxic Substances Act ("TSCA") (42 U.S.C. (S)2601 et seq.), as amended, and rules and regulations promulgated thereunder; (iv) asbestos; (v) polychlorinated biphenyls; (vi) any substances regulated under the provisions of Subtitle I of RCRA relating to underground storage tanks; (vii) any substance the presence, use, treatment, storage or disposal of which on the Real Property is prohibited by any Legal Requirements; and (viii) any other substance which by any Legal Requirements require special handling, reporting or notification of any Governmental Authority in its collection, storage, use, treatment, or disposal.

1.17. "HSR Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

1.18. "Judgment" means any judgment, writ, order, injunction, award or decree of any court, judge, justice or magistrate, including any bankruptcy court or judge, arbitrator or panel of arbitrators, and any order of or by any Governmental Authority.

1.19. "Knowledge" with respect to any matter means the actual awareness or knowledge of such Person (if a natural person) or any of the officers or System general managers of such Person (if not a natural Person), as opposed to implied or institutional knowledge, but without any duty of investigation or inquiry.

1.20. "Legal Requirements" means applicable common law and any statute, ordinance, code or other law, rule, regulation, order, technical or other standard, requirement or procedure enacted, adopted, promulgated, applied or followed by any Governmental Authority, including Judgments.

1.21. "Licenses" means all domestic satellite, business radio, CARS, microwave and other licenses, and all authorizations and permits relating to the System granted to Seller by any Governmental Authority, except the Franchises or any public easements or rights-of-way related thereto.

1.22. "Lien" means any security agreement, financing statement filed with any Governmental Authority, conditional sale or other title retention agreement, any lease, consignment or bailment given for purposes of security, any lien, mortgage, indenture, pledge, option, constructive trust or other trust, claim, or attachment, easement, right-of-entry, restrictive covenant, restriction on transfer, or any other exception or defect in title or interest, or other ownership interest (including, but not limited to, possibilities of reverter) of any kind, which otherwise constitutes an interest in or claim against property, whether arising pursuant to any Legal Requirement, Contract or otherwise.

1.23. "Litigation" means any claim, action, suit, proceeding, arbitration, investigation, hearing or other activity or procedure that could result in a Judgment, and any notice of any of the foregoing.

1.24. "Losses" means any claims, losses, liabilities, damages, Liens, penalties, costs, and expenses, including, but not limited to, interest which may be imposed in connection therewith, expenses of investigation, reasonable fees and disbursements of counsel and other experts, and the cost to any Person making a claim or seeking indemnification under this Agreement with respect to funds expended by such Person by reason of the occurrence of any event with respect to which indemnification is sought.

1.25. "Person" means any natural person, Governmental Authority, corporation, limited liability company, general or limited partnership, limited liability general or limited partnership, joint venture, trust, association or unincorporated entity of any kind.

1.26. "Personal Property" means all of the equipment, plant, inventory, vehicles, spare parts, supplies and other tangible personal property which are owned or leased by Seller and used or useful as of the date hereof in the conduct of the business or operations of the System, other than the Excluded Assets, plus such additions thereto and deletions therefrom arising in the ordinary course of business and permitted by this Agreement between the date of this Agreement and the Closing Date.

1.27. "Real Property" means all of the fee estates, and all buildings, fixtures, and other improvements located thereon, leasehold interests in real estate, private easements, private rights to access, private rights-of-way, and other real property interests which are owned or leased by Seller and used or useful, as of the date of this Agreement, in the conduct of the business or operations of the System, plus such additions thereto and deletions therefrom arising in the ordinary course of business and permitted by this Agreement between the date of this Agreement and the Closing Date.

1.28. "Taxes" means all levies and assessments of any kind or nature imposed by any Governmental Authority, including but not limited to all income, sales, use, ad valorem, value added, franchise, severance, net or gross proceeds, withholding, payroll, employment, excise or property taxes, together with any interest thereon and any penalties, additions to tax or additional amounts applicable thereto.

1.29. "Tentative Subscriber" shall mean any subscribers for Basic Service who, within thirty days prior to the Closing Date, have paid one payment (which can include a prorata payment in respect of a partial month's service or a payment in respect of installation equal to at least 50% of the standard installation fees at hook-up) but have not yet paid at least one full monthly bill generated in the ordinary course of business.

1.30. "Transaction Documents" means all instruments and documents executed and delivered by Buyer or Seller or any officer, director or affiliate of either of them in connection with this Agreement or the transaction contemplated hereby.

1.31. List of Additional Definitions. The following is a list of additional terms used in this Agreement and a reference to the Section hereof in which such term is defined:

Term	Section
Adjustment Time	2.6
Assets	2.1
Assumed Liabilities	2.8
Buyer	Preamble
Current Items Amount	2.6
Deposit	2.3
EBS Adjustment Amount	2.5
EBS Shortfall	2.5
Escrow Agent	2.3
Excluded Assets	2.2
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2. PURCHASE AND SALE OF THE ASSETS.

2.1. Agreement to Purchase and Sell. Subject to the terms and conditions set forth in this Agreement, at Closing, Seller will sell to Buyer, and Buyer will purchase from Seller, subject to Permitted Liens and Liens for ad valorem Taxes not yet due and payable, the following described tangible and intangible assets used or useful in connection with the conduct of the business or operations of the System (collectively, the "Assets"):

2.1.1 the Personal Property;

2.1.2 the Real Property;

2.1.3 the Franchises;

2.1.4 the Assumed Contracts;

2.1.5 the Accounts Receivable;

2.1.6 the Licenses;

2.1.7 all of Seller's technical information and data, customer lists, machinery and equipment warranties, maps, computer disks and tapes, plans, diagrams, blueprints and schematics relating to the System, including filings with the FCC, other than as any of the foregoing relate to the Excluded Assets;

2.1.8 all books and records relating to the business or operations of the System, including executed copies of the Assumed Contracts, subject to the right of Seller to have such books and records made available to Seller for a reasonable period, not to exceed three years from the Closing Date;

2.1.9 the goodwill and going concern value generated by Seller with respect to the System, if any; and

2.1.10 all intangible assets of Seller relating to the System not specifically described above.

2.2. Excluded Assets. The following assets shall not be transferred by Seller to Buyer and are specifically excluded from the definition of Assets (collectively, the "Excluded Assets"):

2.2.1 Seller's cash on hand as of the Closing Date, and all other cash in any of Seller's bank or savings accounts, any and all insurance policies, construction and performance bonds, intercompany receivables with respect to any affiliate of Seller, letters of credit or other similar items and any cash surrender value in regard thereto, and any stocks, bonds, certificates of deposit and similar investments;

2.2.2 Any programming Contracts, employment Contracts, consulting Contracts, billing services and related leased equipment, employee benefit plans, and the Contracts described on Schedule 2.2 (the "Excluded Contracts");

2.2.3 Any books and records that Seller is required by law to retain, subject to the right of Buyer to have access to and to copy for a reasonable period, not to exceed three years from the Closing Date, and Seller's partnership books and records related to internal partnership matters and financial relationships with Seller's lenders;

2.2.4 Any claims, rights and interests in and to any refunds of federal, state or local franchise, income or other taxes or fees for periods prior to the Closing Date;

2.2.5 The trademarks, trade names, service marks and all other information and similar intangible assets relating to Seller or the System, subject to the right of Buyer to use such assets as provided for in Section 5.9; and

2.2.6 The rights, assets and properties described on Schedule 2.2.

2.3. Deposit. Upon execution and delivery of this Agreement by Seller and Buyer, Buyer shall deliver $300,000.00 (the "Deposit") to Colorado National Bank ("Escrow Agent"), to be held in an interest bearing account and applied pursuant to the terms of that certain Escrow Agreement, dated the date hereof, by and among Seller, Buyer and Escrow Agent.

2.4. Purchase Price. Subject to the terms and conditions of this Agreement, at the Closing, Buyer shall deliver to Seller by wire transfer of immediately available funds, to such account or accounts as are designated in writing by Seller to Buyer, the sum of $21,400,000.00 (the "Purchase Price"), which sum shall be (i) reduced by the amount of the Deposit, which is to be retained by the Escrow Agent to secure payment by Seller of any indemnification obligations to Buyer in accordance with the terms of an indemnity escrow agreement in substantially the form attached hereto as Exhibit A (the "Indemnity Escrow Agreement") to be delivered by Buyer, Seller and Escrow Agent at Closing, and (ii) subject to upward or downward adjustment, as the case may be, pursuant to Sections 2.5. 2.6 and 2.7 below. At Closing, any interest which has accrued on the Deposit shall be delivered to Buyer by Escrow Agent.

2.5. EBS Adjustment.

2.5.1 The Purchase Price shall be adjusted downward by an amount equal to $1,237.00 multiplied by the number, if any, of Equivalent Basic Subscribers of the System less than 17,300 as of the Closing Date (the "EBS Adjustment Amount"); provided, however, that the EBS Adjustment Amount shall not be greater than $804,050.00 except as provided below.

2.5.2 In the event that the number of EBS's estimated by Seller at Closing as set forth in the Initial Adjustment Certificate (the "Subscriber Estimate") is equal to or greater than 16,650 but is determined upon post-Closing verification and adjustment under Section 2.7.2 (the "Final Subscriber Count) to be fewer than 16,650, then the EBS Adjustment Amount shall not be subject to the $804,050.00 limitation set forth above. In the event that the Subscriber Estimate provided by Seller at Closing is less than 16,650 and Buyer elects to proceed to Closing, and the Final Subscriber Count is less than the Subscriber Estimate, then Buyer shall be entitled to a further Purchase Price reduction equal to $1237.00 multiplied by the difference between the Subscriber Estimate and the Final Subscriber Count notwithstanding the limitation on the EBS Adjustment Amount set forth above.

2.5.3 In the event that the Subscriber Estimate is below 17,300 (an "EBS Shortfall") and, as of the Closing Date, there are Tentative Subscribers which may have otherwise prevented an EBS Shortfall, then, at the Closing, Buyer shall deposit into a separate escrow account under the Indemnity Escrow Agreement an amount equal to $1237.00 multiplied by the number of Tentative Subscribers which would reduce or eliminate the EBS Shortfall if they qualify to be included in the calculation of Equivalent Basic Subscribers for purposes of the Final Adjustment as set forth in Section 2.7. For example, (i) if there is an EBS Shortfall of 10 subscribers (i.e. 17,290 EBS at Closing) and their are 15 Tentative Subscribers that have not been included in the Subscriber Estimate, Buyer shall deposit 10 times $1237.00 or $12,370 into such separate escrow account; or (ii) if there is an EBS Shortfall of 10 subscribers (i.e., 17,290 at Closing) and there are 5 Tentative Subscribers that have not been included in the Subscriber Estimate, Buyer shall deposit 5 times $1,237.00, or $6,185, into such separate escrow account.

2.6. Current Items Amount. Buyer or Seller, as appropriate, shall pay to the other (by increasing or decreasing the Purchase Price paid to Seller at the Closing) the net amount of the adjustments and prorations effected pursuant to Sections 2.6.1 and 2.6.2 below (the "Current Items Amount"). The adjustments provided for herein shall be made in accordance with generally accepted accounting principles ("GAAP") applied on a consistent basis as of the close of business (11:59 p.m., mountain time) on the day immediately preceding the Closing Date (the "Adjustment Time").

2.6.1. Accounts Receivable. Seller shall be entitled to an amount equal to the sum of (i) 100% of the face amount of all Accounts Receivable that are current or 30 days or less past due as of the Adjustment Time, plus (ii) 90% of the face amount of all Accounts

Receivable that are between 31 days and 60 days past due as of the Adjustment Time, and (iii) 0% for all Accounts Receivable that are 60 days or more past due as of the Adjustment Time. For purposes of making "past due" calculations, the monthly billing statements of Seller shall be deemed to be due and payable on the first day of the month during which the service to which such billing statements relate is provided.

2.6.2 Advance Payments and Deposits. Buyer shall be entitled to a credit against the Purchase Price in an amount equal to the aggregate of (i) all deposits of subscribers of the System for converters, decoders, and similar items, and (ii) all payments for services to be rendered by Buyer to subscribers of the System after the Adjustment Time.

2.6.3 Expenses. As of the Adjustment Time, the following expenses shall be prorated, in accordance with GAAP so that all expenses for periods prior to the Adjustment Time shall be for the account of Seller, and all expenses for periods after the Adjustment Time shall be for the account of Buyer: (i) all payments and charges under the Franchises, the Licenses, and the Assumed Contracts; (ii) Taxes levied or assessed against any of the Assets; (iii) Taxes, if any, payable with respect to cable television service and related sales to subscribers of the System; (iv) charges for utilities and other goods or services furnished to the System: (v) copyright fees based on signal carriage by the System; and (vi) all other items of expense relating to the System; provided, however, that Seller and Buyer shall not prorate any (x) items of expense payable under any Excluded Assets or (y) payroll expenses, including accrued wages and vacation and sick pay for the employees of the System, all of which shall remain and be solely for the account of Seller. In addition to the foregoing, the cost of the Phase I Environmental Studies contemplated by Section 5.12 of this Agreement shall be shared equally by the parties.

2.7. Adjustments and Current Items Amount Calculated.

2.7.1. Initial Adjustment Certificate. The Subscriber Estimate, the EBS Adjustment Amount, if any, and the Current Items Amount shall be estimated in good faith by Seller, and set forth, together with a detailed statement of the calculation thereof, in a certificate (the "Initial Adjustment Certificate") executed by a duly authorized representative of Seller and delivered, together with such supporting documentation as the Buyer may reasonably request, to Buyer not later than ten (10) days prior to the Closing. The Initial Adjustment Certificate, as agreed to by the parties, shall constitute the basis on which the EBS Adjustment Amount and the Current Items Amount are calculated for purposes of the Closing. In the event that any item reflected on the Initial Adjustment Certificate is in dispute as of the Closing Date, the disputed amount shall be deposited into an escrow account by the party to be charged and held by the Escrow Agent in accordance with the terms of the Indemnity Escrow Agreement until the Final Adjustment is finally determined in accordance with the provisions of Section 2.7.2 below.

2.7.2 Final Adjustment. On or before the date which is ninety (90) days after the Closing Date, Seller shall deliver to Buyer a final calculation of the adjustments calculated as of the Closing Date (the "Final Adjustment"), together with such supporting documentation as Buyer may reasonably request, which shall evidence in reasonable detail the nature and extent of each adjustment. For the purposes of the Final Adjustment, Tentative Subscribers who have paid a full monthly bill generated in the ordinary course of business within 30 days following Closing will be included in the final calculation of Equivalent Basic Subscribers. Seller shall cooperate with Buyer and provide reasonable access to the necessary personnel and records of Seller and deliver to Buyer copies of such records as Buyer may reasonably request, to review the Final Adjustment. Should Buyer dispute Seller's Final Adjustment, Buyer shall promptly, but in no event later than 30 days after receipt of the Final Adjustment, deliver to Seller written notice describing in reasonable detail the dispute, together with Buyer's determination as to the Final Adjustment in reasonable detail. If the dispute is not resolved by the parties within 30 days from the date of receipt by Seller of written notice from Buyer, the parties agree to engage Ernst & Young or another "big six" accounting firm mutually acceptable to Seller and Buyer (the "Independent Accountant") to resolve the dispute within 30 days after such engagement. The Independent Accountant's determination shall be final and binding on the parties. Buyer or Seller, as the case may be, shall make (or, to the extent held in escrow, Buyer and Seller shall instruct the Escrow Agent to make) appropriate payment to the other of the difference between the Final Adjustment amount and the adjustment amount paid at Closing pursuant to the Initial Adjustment Certificate within three business days following (a) the agreement of the parties as to the Final Adjustment, (b) the resolution of any dispute by the parties; or (c) the receipt of the Independent Accountant's final determination, as the case may be. All fees and costs of the Independent Accountant shall be borne by the non-prevailing party as determined by the Independent Accountant; provided, however, that if the Independent Accountant does not make such a determination, the costs and expenses of the Independent Accountant shall be borne equally by the Seller and the Buyer.

2.8. Assumption of Liabilities. As of the Closing Date, Buyer shall assume, pay, discharge, and perform the following obligations and liabilities (collectively, the "Assumed Liabilities"): (i) all liabilities and obligations with respect to acts, omissions or events occurring subsequent to the Closing Date under any Franchise, License, or Assumed Contract; (ii) other obligations and liabilities of Seller relating to the Assets only to the extent that there shall be an adjustment in favor of Buyer with respect thereto pursuant to Section 2.6; and (iii) all obligations and liabilities arising out of Buyer's ownership of the Assets or operation of the System after the Closing Date. All debts, liabilities, and obligations arising out of or relating to the Assets or the operation of the System other than the Assumed Liabilities shall remain and be the obligations and liabilities of Seller including any rate refund or credit, penalty and/or interest payment with respect thereto, ordered by any Governmental Authority with respect to the System for periods through and including the Closing Date. Without limiting the foregoing, Buyer shall assume no liability or obligation with respect to the payment of salary or severance or provision of benefits, including but not limited to the benefits payable under any employee benefit plan with respect to the employment of any employee or independent contractor of the System or former employee of the System prior to Closing. Seller shall be responsible for compliance with the COBRA notice and continuation coverage requirements under Part 6 of Title I of ERISA, with respect to all employees (and their beneficiaries) experiencing a qualifying event (as defined in Section 603 of ERISA) on account of the transactions contemplated by this Agreement or occurring prior to the Closing.

2.9. Allocation. For federal income and other applicable tax purposes, the Purchase Price shall be allocated among the Assets as agreed to by the parties prior to the Closing Date. In the event that the parties have not agreed upon an allocation of the Purchase Price prior to Closing, the allocation of the Purchase Price shall be determined by an appraisal to be obtained within 120 days after the Closing Date. The appraiser performing the appraisal shall be mutually selected and engaged by Seller and Buyer. The parties shall cause the appraiser to consult with Buyer and Seller during the preparation of such appraisal, and the appraiser shall deliver drafts and the final appraisal to Buyer and Seller simultaneously. Buyer and Seller agree to be bound by such allocation and to file all returns and reports in respect of the transactions contemplated herein on the basis of such allocation. The cost of the appraisal shall be borne equally by Buyer and Seller.

3. SELLER'S REPRESENTATIONS.

Seller represents, warrants, covenants and agrees to and with Buyer as follows:

3.1. Organization and Qualification. Seller is a partnership duly organized and validly existing and in good standing under the laws of the State of Colorado, is duly qualified or licensed to do business and is in good standing in the State of California, and has all requisite partnership power and authority to own and lease the properties and assets it currently owns and leases and to conduct its activities and to carry on its business as such activities and business are currently conducted.

3.2. Authorization. Seller has full partnership power and authority to execute, deliver and perform this Agreement and to consummate the transactions contemplated in this Agreement. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated by this Agreement on the part of Seller have been duly and validly authorized and approved by all necessary action on the part of Seller and the general partner of its constituent partners. This Agreement has been duly and validly executed and delivered by Seller, and is the valid and binding obligation of Seller, enforceable against Seller in accordance with its terms.

3.3. System Information. Schedule 3.3 sets forth a materially true and accurate description of the following information as of the date specified in such Schedule:

3.3.1 the approximate number of miles of activated aerial and underground plant included in the Assets;

3.3.2 the approximate number of home passings of the System;

3.3.3 a description of the services available from the System, including, Expanded Basic Service, basic tier, limited tier and other services available from the System, the rates charged by Seller for each, together with the approximate number of subscribers receiving each of the services, the approximate number of Equivalent Basic Subscribers, and any other charges by Seller for services to subscribers;

3.3.4 the System's subscribers receiving free and/or discounted services;

3.3.5 the channel and megahertz capacity of the System, the stations and signals carried by the System, the channel position of each such signal and station, and all frequencies utilized by the System (including system radius and designated coordinates reported to the FCC);

3.3.6 a list of names of the licensors of each System pole attachment and conduit license, quantity of poles or feet of conduit licensed thereunder and current annual licensing fee per pole or per occupied foot of conduit;

3.3.7 a list of all grantors of crossing permits, permit numbers, the location for which the permit is granted and current annual licensing fee for each such permits;

3.3.8. a description of current and proposed marketing programs, policies and practices, and any proposed rate increases; and

3.3.9 a list of incorporated communities in the franchise areas.

3.4. No Other Operators. To the best of Seller's Knowledge, and except as described on Schedule 3.4, as of the date of this Agreement: (i) the System is the only multiple channel operator presently serving the communities which it serves, (ii) no other multiple channel operator is presently contemplated by any Person in the communities now served by the System, and (iii) no franchises or other authorizations other than the Franchises have been issued or applied for with respect to the communities served by the System. Except as set forth on Schedule 3.4, Seller is not, nor is any affiliate of Seller, a party to any agreement restricting the ability of a third party to operate a cable television system in the franchise areas in which the System is currently operating.

3.5. Title to Personal Property. Schedule 3.5 contains a complete description of all material items of Personal Property, including an inventory of converters on hand, other than the Excluded Assets, as of the date specified in such Schedule. Except as described on Schedule 3.5, Seller has good and marketable title to all of the Personal Property, free and clear of all Liens, except ad valorem Taxes not yet due and payable, and at Closing Buyer will acquire good and marketable title to all of the Personal Property, free and clear of all Liens, except ad valorem taxes not yet due and payable. The Personal Property is in good operating condition and repair (reasonable wear and tear excepted) and reasonably fit for the purpose it is being used.

3.6. <u>Franchises, Licenses, and Contracts.</u>

3.6.1 Schedule 3.6 contains a description of all of the Franchises, Licenses and Contracts, as of the date of this Agreement, except for: (i) subscription agreements with individual residential subscribers for the cable services provided by the System in the ordinary course of business which may be canceled by the System without penalty on not more than 30 days notice; (ii) miscellaneous service contracts terminable at will without penalty; (iii) other Contracts not involving aggregate liabilities under all such Contracts exceeding $50,000.00; and (iv) other Contracts not involving any material nonmonetary obligation. Seller has delivered to Buyer true and complete copies of each of the Franchises, Licenses, and written Contracts, including any amendments thereto, other than Contracts described in clauses (i), (ii), (iii) and (iv) above and motor vehicle leases.

3.6.2 Except as described on Schedule 3.6: (i) each of the Franchises, Licenses, and Assumed Contracts is valid, in full force and effect, and, enforceable in accordance with its terms against the parties thereto; (ii) there has not occurred any material default (without regard to lapse of time, the giving of notice, the election of any Person other than Seller, or any combination thereof) by Seller nor, to the Knowledge of Seller, has there occurred any default (without regard to lapse of time, the giving of notice, the election of Seller, or any combination thereof) by any Person other than Seller under any of the Franchises, Licenses, or Contracts, and neither Seller, nor to Seller's Knowledge, any Person, has given or received notice of termination, cancellation or dispute under any Franchises, Licenses or Contracts; and (iii) neither Seller nor, to the Knowledge of Seller, any other Person is in arrears in the performance or satisfaction of its material obligations under any of the Franchises, Licenses, or Assumed Contracts, and no waiver or indulgence has been granted by any of the parties thereto. None of the Contracts requires Buyer to assume, or Seller to cause Buyer to assume, such Contract as a condition to the transfer of the Assets and the System to Buyer.

3.7. <u>No Conflicts; Consents.</u> Except for the Consents described on Schedule 3.7 or in any other Schedule to this Agreement, the expiration or earlier termination of the waiting period under the HSR, or as otherwise provided herein, the execution, delivery, and performance by Seller of this Agreement does not and will not: (i) conflict with or violate any provision of the partnership agreement of Seller or the certificate of limited partnership or partnership agreement of either partner of Seller; (ii) conflict with, violate, result in a breach of, constitute a default under (without regard to requirements of notice, lapse of time, or elections of other Persons, or any combination thereof), accelerate, or permit the acceleration, termination or modification of the performance required by any Contract, Franchise or License; (iii) result in the creation or imposition of any Lien against or upon any of the Assets; or (iv) require any consent, approval, or authorization of, or filing of any certificate, notice, application, report, or other document with, any Governmental Authority or other Person. Except for the Consents described on Schedule 3.7, or as otherwise provided in this Agreement, no consent, approval or authorization of, or filing with, any Governmental Authority or Person is required to be made or obtained by Seller in connection with the execution, delivery and performance of this Agreement by Seller.

3.8. Litigation. Except as described on Schedule 3.8, (i) there is no outstanding Judgment against Seller requiring Seller to take, or refrain from taking, any action of any kind with respect to the Assets or the operation of the System, or to which the System or the Assets are subject or by which they are bound or affected; and (ii) there is no Litigation pending or, to Seller's Knowledge, threatened, against Seller which individually or in the aggregate might result in any materially adverse change in the financial condition or operation of the System or adversely affect the Assets or the ability of Seller to perform its obligations under this Agreement. Except as described on Schedule 3.8, there are no proceedings pending to which Seller is a party or, to Seller's Knowledge, threatened, nor have any demands been made by any Governmental Authority, utility, pole or conduit lessor, or other Person, which seeks or could result in the termination, modification, suspension or limitation of Seller's rights or obligations with respect to the Franchises, Licenses, or Assumed Contracts.

3.9. Employment Matters.

3.9.1 Neither Seller nor any Employee Benefit Plan or, any Multiemployer Plan (as those terms are defined in ERISA) maintained by Seller or to which Seller has or has had the obligation to contribute in respect of any of Seller's employees that render services in connection with the System is in violation of the provisions of ERISA; no reportable event, within the meaning of Title IV of ERISA, has occurred and is continuing with respect to any such Employee Benefit Plan or any such Multiemployer Plan; and no prohibited transaction, within the meaning of Title I of ERISA, has occurred with respect to any such Employee Benefit Plan or, any such Multiemployer Plan.

3.9.2 There are no collective bargaining agreements applicable to any Persons employed by Seller that render services in connection with the System, and Seller has no duty to bargain with any labor organization with respect to any such Persons. There is not pending any unfair labor charges against Seller, any demand for recognition or any other request or demand from a labor organization for representative status with respect to any Persons employed by Seller that render services in connection with the System.

3.9.3 Schedule 3.9 contains a true and complete list of the names, positions and dates of initial employment of all employees of the System. Seller has delivered to Buyer a true and correct list setting forth the present rates of compensation, bonus or other direct or indirect compensation and employee benefits of all employees of the System and any agreements, commitments or arrangements, whether written or oral, affecting such employees other than employee handbooks or other statements of employment policy. With respect to any Persons employed by Seller that render services in connection with the System, Seller is in material compliance with all applicable Legal Requirements respecting employment conditions and practices, has withheld all amounts required by any applicable Legal Requirements or Contracts to be withheld from wages or salaries, and is not liable for any arrears of wages or any taxes or penalties for failure to comply with any of the foregoing.

3.10. Taxes. Except as described on Schedule 3.10, (i) Seller has duly and timely paid all Taxes with respect to the System and the Assets which have become due and payable by it; (ii) Seller has received no notice of, nor does Seller have any Knowledge of, any deficiency or assessment or proposed deficiency or assessment from any taxing Governmental Authority with respect to the Assets or the System; (iii) there are no audits pending with respect to the Assets or the System and there are no outstanding agreements or waivers by Seller that extend the statutory period of limitations applicable to any federal, state, local, or foreign tax returns or Taxes with respect to the System; and (iv) Seller has duly and timely filed all Tax returns and Tax reports required to be filed by Seller and all such returns and reports are accurate and complete in all material respects.

3.11. Financial Statements. Seller has delivered to Buyer true, complete and correct copies of the unaudited financial statements of the System for the year ended December 31, 1995, the year ended December 31, 1996 and true, correct and complete unaudited financial statements of the System for the six months ended June 30, 1997, prepared in accordance with GAAP consistently applied (the "Financial Statements"). The Financial Statements are true, correct and complete in all material respects with respect to the subject matter contained therein, and fairly present the results of the operations of the System for the periods covered thereby, and do not and will not omit to state or reflect any material fact required to be stated or reflected therein or necessary to make the statements therein not misleading, subject, however, to year end audit adjustments with respect to unaudited information, which adjustments are not material individually or in the aggregate.

3.12. No Adverse Change. Except as described on Schedule 3.12, there has been no material adverse change in the business, Assets or the financial condition or operations of the System since December 31, 1996, other than changes arising from matters of a general economic nature or matters caused by or arising from legislation, rulemaking or regulation affecting the cable television industry in general, and since such date, (i) the Assets and the financial condition and operations of the System have not been materially and adversely affected as a result of any fire, explosion, accident, casualty, labor trouble, flood, drought, riot, storm, condemnation or act of God or public force or otherwise, and (ii) no portion of the movable Personal Property has been removed from the System except in the ordinary course of business.

3.13. Compliance with Legal Requirements.

3.13.1 Except as described on Schedule 3.13, the operation of the System as currently conducted does not violate or infringe in any material respect any Legal Requirements currently in effect (other than the Legal Requirements described in Section 3.13.2, as to which the representations and warranties set forth in that subsection will apply). Except as described on Schedule 3.13, Seller has received no notice of any violation by Seller or the System of any Legal Requirement applicable to the operation of the System as currently conducted. Seller is not in default of or in violation with respect to any Judgment of any court, administrative agency or other Governmental Authority.

3.13.2 Notwithstanding anything in this Agreement to the contrary, and except as described on Schedule 3.13, the System is in compliance in all material respects with the provisions of the Cable Act as such Legal Requirements apply to the System; provided, however, that Seller does not make any representations about rates charged to subscribers, other than the representation about rates charged to subscribers set forth below. Except as described on Schedule 3.13, Seller is in compliance in all material respects with the must-carry and reconsent provisions of the 1992 provisions of the Cable Act as they relate to the System. Seller has used reasonable good faith efforts to establish rates charged to subscribers, effective since September 1, 1993, that are or were allowable under the Cable Act and any authoritative interpretation thereof now or then in effect, whether or not such rates are or were subject to regulation at that date by any Governmental Authority, including any local franchising authority and/or the FCC, unless such rates were not subject to regulation pursuant to a specific exemption from rate regulation contained in the Cable Act other than the failure of any franchising authority to have been certified to regulate rates. Notwithstanding the foregoing, Seller makes no representations or warranties that rates charged to subscribers (a) are allowable under any rules or regulations of the FCC or any authoritative interpretation thereof or (b) would be allowable under any rules and regulations of the FCC or any authoritative interpretation thereof, promulgated after the date of Closing. Seller has delivered to Buyer complete and correct copies of all reports and filings for the past three years made or filed pursuant to the Cable Act or FCC rules or regulations with respect to the System, including, without limitation, FCC Forms 159 (Remittance Advice), 159C, 320, 325, 328, 329, 393, 395A, 854, 1200, 1205, 1210, 1215, 1220, 1225, 1230 and 1240, copies of Seller's material correspondence with any Governmental Authority relating to rate regulation generally or specific rates charged to subscribers of the System including, without limitation, copies of any complaints filed with the FCC with respect to Seller's rates charged to such subscribers (to the extent available to Seller) and any other documentation supporting an exemption from the rate regulation provisions of the Cable Act. As of the date of the Agreement, Schedule 3.13 contains a list of all Franchise areas that are certified to regulate rates pursuant to the laws and regulations of the FCC and a list of all Franchises areas in which a complaint regarding cable programming services has been filed with the FCC and received by Seller. A request for renewal has been timely filed under Section 626(a) of the Cable Act with the proper Governmental Authority with respect to each franchise of the System expiring within 36 months of the date of this Agreement.

3.13.3 Seller has conducted all system and microwave performance tests and all Cumulative Leakage Index ("CLI") related tests applicable to the System. Seller has (i) maintained appropriate log books and other record keeping which accurately and completely reflect in all material respects all results required to be shown thereon; (ii) to the extent required by the rules and regulations of the FCC, corrected any radiation leakage of the System required to be corrected in connection with Seller's monitoring obligations under the rules and regulations of the FCC; and (iii) otherwise complied in all material respects with all applicable CLI rules and regulations in connection with the operation of the System.

3.13.4 Seller is in compliance with the Copyright Act and the rules and regulations of the Copyright Office with respect to the operation of the System, except as to potential copyright liability arising from the performance, exhibition or carriage of any music on the System as to which the Seller makes no representation. Seller is entitled to hold and does hold the compulsory copyright license described in Section 111 of the Copyright Act for all television and radio broadcast stations which are carried by the System, which compulsory copyright license is in full force and effect and has not been revoked, canceled, encumbered or adversely affected in any manner.

3.13.5 The System is being operated in compliance with the Rules and Regulations of the Federal Aviation Administration ("FAA"). All existing towers of the System are obstruction marked and lighted in accordance with the Rules and Regulations of the FAA and FCC or are exempt from such requirements.

3.14. Environmental Laws and Regulations.

3.14.1 Except as set forth in Schedule 3.14, (i) Seller has not generated, used, transported, treated, stored, released or disposed of any Hazardous Substance in violation of any Legal Requirements; (ii) to Seller's Knowledge, there has not been any generation, transportation, treatment, storage, release or disposal of any Hazardous Substance by any Person in connection with the operation of the System that has created or might reasonably be expected to create any liability under any Legal Requirement; (iii) to Seller's Knowledge, no underground storage tank is contained within any Real Property owned by Seller; (iv) except for Hazardous Substances customarily used in the cable industry and utilized in compliance with Legal Requirements, to Seller's Knowledge, there is not located at, on, or under any real property owned by Seller, any Hazardous Substance, including, but not limited to, asbestos; and (v) any Hazardous Substance handled or dealt with by Seller in any way in connection with the System has been and is being handled or dealt with in all material respects in compliance with all applicable Legal Requirements.

3.14.2 Seller has provided Buyer with complete and correct copies of (a) all studies, reports, surveys, or other written materials in Seller's possession relating to the presence or alleged presence of Hazardous Substances at, on, under or affecting the Real Property, (b) all notices or other materials in Seller's possession that were received from any Governmental Authority having the power to administer or enforce any Legal Requirement relating to current or past ownership, use or operation of the Real Property or activities at the Real Property; and (c) all materials in Seller's possession relating to any litigation or allegation by any private third party concerning Hazardous Substances affecting the Property.

3.15. Real Property. Schedule 3.15 contains a description of all the Real Property utilized by Seller in the operation of the System as now conducted. Seller has delivered to Buyer true and complete copies of all deeds, leases, easements, rights-of-way or other instruments pertaining to the Real Property (including any and all amendments and other modifications of such instruments). Seller has fee simple title to all of the fee estates (including the improvements thereon), listed in Schedule 3.15, free and clear of all Liens and encumbrances, except for (i) Liens for Taxes not yet due and payable; (ii) easements, rights-of-way, restrictions, restrictive covenants, and other encumbrances of record; (iii) any other claims or encumbrances which are described in Schedule 3.15; and (iv) any matters which an accurate survey of the fee estates would disclose. To the best of Seller's Knowledge, there are no easements, rights-of-way, restrictions, restrictive covenants, or other encumbrances of record which materially or adversely affect the use or value of the fee estate owned by Seller or which interfere with the current use of, or are violated by, any existing structure or use of the fee estates owned by Seller. Except as described on Schedule 3.15, all Real Property (including the improvements thereon) (A) is available to Seller for immediate use in the conduct of the business or operations of the System, (B) complies in all material respects with all applicable building or zoning codes and the regulations of any Governmental Authority having jurisdiction and (C) has access to and over public streets or private streets for which Seller has a valid right of ingress and egress. There are no eminent domain proceedings pending, or to Seller's Knowledge, threatened against the Real Property.

3.16. Non-Infringement. The operation of the System as currently conducted does not infringe upon, or otherwise violate, the rights of any Person or entity in any copyright, trade name, trademark right, service mark, service name, patent, patent right, license, trade secret or franchise, and there is not pending or, to Seller's Knowledge, threatened any action with respect to any such infringement or breach.

3.17. Accounts Receivable. Seller is the true and lawful owner of the Accounts Receivable and has good and clear title to each Account, free and clear of all Liens, with the absolute right to transfer any interest therein. Each such Account is (i) a valid obligation of the account debtor enforceable in all material respects in accordance with its terms, and (ii) in all material respects, a true and correct statement of the account for merchandise actually sold and delivered to, or for actual services performed for and accepted by, such account debtor in the ordinary course of business.

3.18. Books and Records. All of the books, records, and accounts of the System are in all material respects true and complete, are maintained in accordance with good business practice and all applicable Legal Requirements, and accurately present and reflect in all material respects all of the transactions therein described.

3.19. Bonds. Schedule 3.19 contains an accurate and complete list of all bonds (franchise, construction, fidelity, or performance) of Seller which are required to be maintained by Seller and which relate in any way to the ownership or use of the Assets or the operation of the System.

3.20. Insurance. All insurance policies pertaining to the System which are required to be obtained by Seller are in full force and effect on the date hereof, are valid and enforceable in accordance with their terms, are issued by financially sound and reputable insurance companies, and collectively insure all of the Assets of the System which are of an insurable character against loss or damage to the extent and in the manner customary and prudent for companies engaged in similar businesses or as required by any of the Franchises, Licenses, Assumed Contracts or applicable Legal Requirements.

3.21. Sufficiency of Assets. Except as described in this Agreement, Schedule 3.21, or as disclosed on any other Schedule to this Agreement, together with the Excluded Assets, the Assets collectively constitute all assets and rights that relate directly or indirectly to, are used or usable in, and are reasonably necessary to enable Buyer to operate the System as a going enterprise.

3.22. Accuracy of Schedules. All Schedules to this Agreement are accurate and complete in all material respects as of the date of this Agreement.

3.23. Disclosure. No representation or warranty by Seller, or any statement or certificate furnished by Seller to Buyer pursuant to this Agreement or in connection with the transaction contemplated by this Agreement, contains or will at Closing contain any untrue statement of a material fact or omits or will at Closing omit to state a material fact necessary to make the statements contained therein not misleading.

3.24 Inventory. Seller has, and at the Closing will have, an inventory of spare parts and other materials relating to the System of the type and nature, and maintained at a level, consistent with the past practices of the System.

4. BUYER'S REPRESENTATIONS.

Buyer hereby represents, warrants, covenants and agrees to and with Seller, as follows:

4.1. Organization. Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware, and has all requisite power and authority to own and lease the properties and assets it currently owns and leases and to conduct its activities and to carry on its business as such activities and business are currently conducted.

4.2. Authorization. Buyer has full power and authority to execute, deliver, and perform this Agreement and to consummate the transactions contemplated in this Agreement. The execution, delivery, and performance of this Agreement and the consummation of the transactions contemplated in this Agreement on the part of Buyer have been duly and validly authorized and approved by all necessary action on the part of Buyer, including appropriate resolutions, if necessary, of the members of the limited liability company. This Agreement has been duly and validly executed and delivered by Buyer, and is the valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms.

4.3. Disclosure. No representation or warranty of Buyer, or any statement or certificate furnished by Buyer to Seller pursuant to this Agreement or in connection with the transaction contemplated by this Agreement, contains or will contain at Closing any untrue statement of a material fact or omits or will at Closing omit to state a material fact necessary to make the statements contained therein not misleading.

5. COVENANTS.

5.1. Seller's Pre-Closing Obligations. Seller covenants and agrees that, from and after the execution and delivery of this Agreement until and including the Closing Date:

5.1.1 Access. Seller shall give Buyer and its representatives full access during normal business hours to all of the properties, books, and records relating to the System, and furnish Buyer with such information concerning the Assets and the System as Buyer may reasonably request.

5.1.2 Conduct of Business. Seller shall operate and maintain the System in the ordinary and usual course and in accordance with past practices, which shall include, without limitation, making capital expenditures in substantial accordance with the existing budget and maintaining appropriate staff and management personnel (consistent with past practices) at the System. Seller shall duly comply in all material respects with all applicable Legal Requirements, perform all of its material obligations under all of the Franchises, Licenses, and Contracts without default, and maintain the books, records, and accounts relating to the System in the usual, regular, and ordinary manner on a basis consistent with past practices. Seller shall use reasonable efforts to keep available the services of its employees providing services in connection with the System, continue normal marketing, advertising, and promotional expenditures with respect to the System, and use commercially reasonable efforts to preserve beneficial business relationships with all customers, suppliers, and others having business or other dealings with Seller relating to the System, including Governmental Authorities having jurisdiction over Seller. Seller shall maintain the Assets in good condition and repair, ordinary wear excepted, and Seller shall keep in effect the casualty and liability insurance covering the Assets at a level that is reasonable and appropriate and consistent with past practices. Seller shall not increase the compensation payable to any consultant or contractor, except as required by the terms of any contract or consistent with prior practices. Seller shall continue to follow its normal disconnect and late charge policies as described on Schedule 5.1.

5.1.3 Not Impair Performance. Without the prior written consent of Buyer, Seller shall not intentionally take any action that would cause the conditions upon which the obligations of the parties hereto to effect the transactions contemplated hereby are subject not to be fulfilled.

5.1.4 Negative Covenants. Seller shall not, except as Buyer may otherwise consent in writing: (i) modify, terminate, renew, suspend, or abrogate any Assumed Contract, provided that Seller may renew any retransmission consent agreement relating to the System and make non-material modifications to any Assumed Contract in the ordinary course of business without the consent of Buyer; (ii) except as otherwise provided herein, modify, terminate, renew, suspend, or abrogate any Franchise or License; (iii) transfer, convey, or otherwise dispose of any of the Assets except in the ordinary course of business (provided that Seller may use inventory and dispose of damaged or defective equipment or material in the normal course of business); (iv) take any action that would result in the creation of a Lien on any of the Assets; (v) engage in any marketing, subscriber installation, or collection practices that are inconsistent with the past practices of Seller; (vi) implement any increase or decrease in the rates charged for the System's Expanded Basic or other cable television services except as described on Schedule 3.3 or pursuant to a Legal Requirement or Judgment; (vii) solicit or participate in negotiations or knowingly permit any other person from so doing with any third party with respect to the sale of the Assets or the System or any transaction inconsistent with those contemplated hereby; or (viii) enter into any single Contract involving a commitment of more than $30,000 or any Contracts which in the aggregate involve a commitment of more than $50,000.

5.1.5 Consents, Form 394's and Extension of Franchise. Except as otherwise provided herein, Seller shall, at Seller's own cost and expense, use commercially reasonable efforts to obtain as promptly as possible all approvals, authorizations, and Consents required in order to consummate the transactions contemplated by this Agreement, including approvals of the FCC, Governmental Authorities, and other Persons to the transfer or assignment by Seller to Buyer of all rights under and pursuant to the Franchises, Licenses, and Assumed Contracts without material modification or change. As soon as practical after the date of this Agreement, the parties will cooperate with each other to complete, execute and deliver, or cause to be completed, executed and delivered to the appropriate Governmental Authority, an FCC Form 394 with respect to each System Franchise as to which such Form 394 is required. With respect to the Franchise for the City of Clearlake, Seller shall use commercially reasonable efforts and due diligence, and Buyer shall cooperate with and assist Seller in all reasonable respects, to have the Franchise extended or a term of not less than five (5) years on terms and conditions reasonably acceptable to Buyer and Seller.

5.1.6 Employment Matters. Without Buyer's prior written consent, Seller shall make no change in the compensation payable or to become payable by Seller to any Person employed in connection with the conduct of the business or operations of the System, except in accordance with past practices. Notwithstanding the foregoing, Seller may incent employees to remain employees of the System through the Closing Date without violating this covenant. Seller shall not enter into any collective bargaining agreements with employees of the System. Between the date of this Agreement and the Date of Closing, neither Seller nor Jones Intercable, Inc. (collectively, the "Company") shall actively solicit or recruit employees of the System for employment within any other cable television systems directly or indirectly owned or operated by Seller or Jones Intercable, Inc. Notwithstanding the foregoing, the Company shall be permitted to continue to post job openings and opportunities within the Company to employees of the System through electronic mail or other postings. Nothing contained herein shall be construed to prevent the Company from discussing and/or offering System employees employment within the Company in the event that the Company is approached by employees of the System regarding employment opportunities. In the event that the Company makes an offer of employment to any System employee for a position outside of the System between the date of this Agreement and the Date of Closing, Company shall promptly provide Buyer with written notice of such offer at least thirty days prior to the date that such position is to take effect. In no event shall the Company be obligated to disclose the terms and conditions of such offer of employment to Buyer. During such thirty day period, Buyer shall be entitled to approach such System employee regarding employment opportunities with Buyer.

5.1.7 Changes in Condition. Seller shall promptly inform Buyer in writing of any material adverse change in the condition (financial or otherwise), operations, assets, liabilities or business of the System.

5.2. Financial Information. At Buyer's request, Seller shall deliver to Buyer, within 30 days after the end of each month, true and complete copies of all financial, capital expenditure, subscriber reports and all other reports of Seller generated in the ordinary course of business with respect to the System, and such other reports as may be reasonably requested by Buyer and any reports with respect to the operation of the System prepared by or for Seller at any time from the date of this Agreement until the Closing.

5.3. Title Matters. Within 30 days following the date of this Agreement, Seller shall obtain and furnish to Buyer, at Seller's cost, title insurance commitments (the "Title Commitments") issued by a nationally recognized title insurer showing the status of record title to each fee parcel of Real Property owned by Seller, and agreeing to insure fee simple title to each such parcel, at Seller's cost, subject only to (i) zoning restrictions, prohibitions, and other requirements imposed by any Governmental Authority having jurisdiction over the Real Property; (ii) public utility easements of record; (iii) Liens for Taxes not yet due and payable; (iv) covenants, easements, rights-of-way, restrictions, and other similar encumbrances of record; and (v) matters which would be reflected on an accurate survey (collectively, the "Permitted Liens"). If Buyer shall notify Seller within 20 days of its receipt of the Title Commitments of any Lien or other matter affecting title to the Real Property which, in the determination of Buyer, renders title uninsurable or unmerchantable, or which could adversely affect the use or value of any parcel of the Real Property for the purpose for which it is currently used by Seller or which is otherwise not a Permitted Lien (each, a "Title Defect"), Seller shall exercise commercially reasonable efforts to remove or cause the title company to commit to insure over, each Title Defect prior to the Closing.

5.4. Employees of the System. Seller shall comply with the provisions of the Worker Adjustment and Retraining Notification Act, as amended, 29 U.S.C. (S) 2101, et seq., as it relates to the transaction contemplated hereby, and shall indemnify and hold harmless Buyer from and against all Losses arising with respect thereto. Seller acknowledges that Buyer may, but shall have no obligation to, hire any of Seller's employees that render services in connection with the operation of the System; provided, however, that Buyer shall give Seller notice at least 60 days after the date of this Agreement or 45 days prior to Closing, whichever is earlier, of the names of any employee of the System to whom Buyer will not offer employment to on and after the Closing Date. Seller shall remain solely responsible for, and shall indemnify and hold harmless Buyer from and against all Losses arising with respect to, all salaries and all severance, vacation, sick, holiday, and other benefits to which employees of Seller may be entitled, as a result of consummation of the transaction contemplated hereby or otherwise.

5.5. Cooperation in Obtaining of Consents.

5.5.1 Buyer shall fully cooperate with Seller, do all things reasonably necessary to assist Seller, and use its commercially reasonable efforts to obtain all Consents necessary for the transfer of or assignment to Buyer of the Franchises, Leases and Assumed Contracts, including the furnishing of all financial and other information reasonably required by the party whose Consent is being sought.

5.5.2 Subsequent to the Closing, Seller shall continue to use commercially reasonable efforts to obtain in writing any Consent required to be obtained by it that was not obtained on or before Closing, and deliver copies of such to Buyer, in a form reasonably satisfactory to Buyer. The obligations set forth in this subsection shall survive Closing and shall not be merged in the consummation of the transactions contemplated hereby.

5.6. HSR Act Compliance. Promptly after the date of this Agreement, Seller and Buyer shall prepare and file proper premerger notification forms and affidavits in compliance with the HSR Act, if applicable. Seller and Buyer shall each pay one-half of all fees payable to Governmental Authorities in connection with such filings. If, following the filing of such forms, any Governmental Authority shall challenge the transaction contemplated hereby, or request additional filings or information, Seller and Buyer shall take preliminary steps to attempt to ascertain the nature of the challenge and the likelihood that the Governmental Authority will permit the transaction contemplated hereby to proceed notwithstanding the challenge. After taking such preliminary steps, (i) if the parties determine in good faith, that the Governmental Authority, may permit the transaction to proceed, the parties shall cooperate to contest such challenge and/or provide the additional filings or information; and (ii) if the parties determine, in good faith, that the Governmental Authority is not likely to permit the transaction to proceed, then neither Seller nor Buyer shall have any obligation to contest such challenge or make or provide any such filing or information, and, unless the other party determines to contest such challenge or provide such information or filings at their cost and expense, each shall be entitled, at its option, to withdraw its filing and terminate this Agreement; provided, however, that the election to terminate this Agreement by either party pursuant to the provisions hereof shall be made in good faith and shall not be based upon a de minimis request for information from any Governmental Authority.

5.7. Bulk Sales. Buyer waives compliance by Seller with Legal Requirements relating to bulk sales applicable to the transaction contemplated hereby and Seller shall indemnify Buyer with respect thereto.

5.8. Leased Vehicles. Seller shall pay the remaining balances on any capital leases for motor vehicles and deliver title to such Personal Property to Buyer at Closing free and clear of all Liens.

5.9. Use of Names and Logos. For a period of ninety (90) days after Closing, Buyer shall be entitled to use the trademarks, trade names, service marks, service names, logos, and similar proprietary rights of Seller (collectively, " Trademarks") to the extent incorporated in or on the Assets transferred to it at Closing, provided that Buyer shall exercise efforts to remove all such names, marks, logos, and similar proprietary rights of the other from the Assets as soon as reasonably practicable following Closing. Buyer agrees to indemnify and hold Seller harmless from and against any and all Losses incurred by Seller in connection with Buyer's use of Seller's Trademarks.

5.10. Transitional Billing Services. Seller shall provide to Buyer, upon written request and at the cost of Buyer, subscriber billing services ("Transitional Billing Services") in connection with the System for a period of up to 120 days following Closing to allow for conversion of existing billing arrangements. Buyer shall notify Seller in writing at least 30 days prior to Closing as to whether it desires Seller to provide Transitional Billing Services. Each party shall cooperate with all reasonable requests by the other in connection with the first billing cycle following Closing. Buyer acknowledges that Seller is in the process of converting its billing system from a TBOL system to a DDP/SQL system. This conversion is currently scheduled to occur in late January or early February of 1998. Buyer acknowledges that during such conversion: (a) certain services of the System may be down for a period of time, including, but not limited to, pay-per-view services; and (b) certain computer terminals may be required to be replaced with personal computers. In the event that such computer terminals are required to be replaced with personal computers in connection with the conversion of the billing system, such replacement shall be at the sole cost and expense of Buyer. In the event that the conversion of the billing system occurs subsequent to Closing, Buyer shall cooperate with Seller in completing the conversion and allow Seller's agents and employees access to the System to effectuate the conversion.

5.11 Reporting Requirements. Seller covenants and agrees that from time to time, upon the request of Buyer, and at the expense of Buyer, Seller shall: (i) make promptly available to Buyer such financial information with respect to the System as Buyer may reasonably request in order to prepare any financial statements and financial statement schedules relating to the System which Buyer may be required to include in any registration statement, report, or other document which it files with the Securities and Exchange Commission or any state securities commission, in appropriate form as provided by applicable federal or state securities laws and the rules and regulations promulgated thereunder, and Seller shall request its present certified public accountants, Ernst & Young, to cooperate with Buyer in connection therewith, and (ii) use its reasonable efforts (without expense to Seller) to promptly obtain for Buyer any consent, report, opinion or letter of accountants required to be filed in connection therewith.

5.12 Environmental Matters.

5.12.1 Seller has delivered to Buyer a Phase I Study for each Parcel of Real Property owned by Seller as set forth on Schedule 3.15 (the "Owned Property"). Within twenty (20) days after the execution of this Agreement, Seller shall commission a qualified engineering firm to conduct a Phase II Study for the Parcel of Owned Property designated as

Item 2 on Schedule 3.15 and an asbestos study for each Parcel of Owned Property. The Phase I Study, the asbestos study and the Phase II Study are each sometimes hereinafter referred to as a "Study." The cost of each Study shall be borne equally by Seller and Buyer. Each Study shall be prepared in accordance with ASTM Standard 1527-94. Within five (5) business days of its receipt of a completed Study, Seller shall deliver such Study to Buyer. Buyer shall have thirty (30) days from the date hereof, with respect to the Phase I Study, and 30 days from its receipt of any other Study to provide Seller with written notice (an "Environmental Condition Notice") of (i) any violation of any Legal Requirement disclosed by such Study, (ii) any facts disclosed by such Study which would reasonably indicate that the Owned Property may be in violation of any Legal Requirement at the time of such Study, (iii) any environmental condition that could reasonably be expected to impair the use or value of the affected Owned Property for the continued operation of the business of the System as operated by Seller, (iv) any environmental condition that could subject Buyer to any liability for fines, penalties or cleanup or response costs if the transaction contemplated hereby is consummated, or (v) any environmental condition that would cause a reasonable purchaser experienced in environmental matters to perform further investigation or testing before proceeding with the transfer of the Owned Property (collectively, "Environmental Conditions"). In the event that Seller has not received an Environmental Condition Notice from Buyer with respect to any Study in the manner and time period provided above, Buyer shall, subject to Buyer's rights elsewhere contained in this Agreement, be deemed to have accepted the environmental condition of the Owned Property disclosed in such Study.

5.12.2 In the event that Buyer delivers an Environmental Condition Notice to Seller, the parties shall use good-faith efforts to ascertain the nature of the Environmental Condition, the potential liabilities to Seller and Buyer associated therewith, and the potential costs of remediating the Environmental Condition. In the event that: (a) Seller and Buyer mutually agree that the nature of the Environmental Condition and the potential liabilities associated therewith warrant further ascertainment and/or remediation; and (b) Seller and Buyer mutually agree upon an ascertainment and remediation plan, then Seller shall pay for the costs of further ascertainment and/or remediation ("Ascertainment and Remediation Costs") provided that in no event shall Seller's obligation with respect to such Ascertainment and Remediation Costs exceed $250,000. In the event that Seller and Buyer determine that the Ascertainment and Remediation Costs would exceed $250,000, then Buyer may elect (x) to terminate this Agreement with no cost or obligation on the part of Buyer or Seller; or (y) proceed to Closing, in which event Buyer shall receive a credit at Closing in the amount, if any, by which $250,000 exceeds the aggregate amount paid by Seller to third parties for Ascertainment and Remediation Costs, in which event Buyer shall assume all further obligations with respect to such Ascertainment and Remediation Costs. Notwithstanding anything to the contrary contained herein, in no event shall Seller be obligated to remediate or remove any asbestos located upon the Owned Property in the event that such asbestos is determined by the parties to be located upon the Owned Property in compliance with Legal Requirements.

5.12.3 In the event that Buyer provides Seller with an Environmental Condition Notice and Seller and Buyer are unable to mutually agree upon an ascertainment and remediation plan as provided in Section 5.12.2 above by the Closing Date, then either party may terminate this Agreement upon written notice to the other. Notwithstanding the foregoing, in the event that Seller elects to terminate this Agreement as provided above, Buyer may waive its objection to the Environmental Condition set forth in the Environmental Condition Notice by delivering written notice to Seller on or before the date which is five (5) business days after its receipt of Seller's termination notice, in which event this Agreement shall remain in full force and effect and the parties shall proceed to Closing as otherwise provided herein.

6. CONDITIONS PRECEDENT.

6.1. Conditions Precedent to Buyer's Obligations. The obligations of Buyer under this Agreement with respect to the purchase of the Assets shall be subject to the fulfillment on or prior to the Closing Date of each of the following conditions, any of which may be waived by Buyer:

6.1.1 Accuracy of Representations: Performance of Agreements; Closing Certificate. All of the representations and warranties of Seller contained in this Agreement or any Transaction Document shall be true and correct in all material respects at and as of the Closing Date as if given on the Closing Date (except for representations and warranties expressly stated to be made only at and as of some other date), and Seller shall have complied with and performed in all material respects all of the agreements, covenants, and conditions required by this Agreement to be performed or complied with by it on or prior to the Closing. Seller shall have furnished Buyer with an executed certificate of the general partners of Seller dated as of the Closing, certifying to the fulfillment of the foregoing conditions.

6.1.2 Consents. Seller shall have obtained and delivered to Buyer each of the Consents designated on Schedule 3.7 as material (the "Material Consents"), with no material modifications or adverse conditions imposed by such Consent.

6.1.3 Title Commitments. Seller shall have furnished to Buyer the Title Commitments within the time period required by this Agreement.

6.1.4 No Litigation. There shall be no Legal Requirement, and no Judgment shall have been entered and not vacated by a final, unappealable order by any Governmental Authority of competent jurisdiction in any Litigation or arising therefrom, which (i) enjoins, restrains, makes illegal, or prohibits consummation of the transaction contemplated by this Agreement, or (ii) requires separation or divestiture by Buyer of all or any portion of the

Assets after the Closing, and there shall be no Litigation pending or threatened that seeks, or which if successful would have the effect of, any of the foregoing.

6.1.5 HSR Act Compliance. All waiting periods under the HSR Act applicable to this Agreement or the transaction contemplated hereby shall have expired or been terminated.

6.1.6 Deliveries. Seller shall have made or stand willing to and able to make all of the deliveries to Buyer set forth in Section 7.2.

6.1.7 No Adverse Change. Between the date of this Agreement and the Closing Date, there shall have been (i) no material adverse change in the Assets or the System or its financial condition, taken as a whole, other than any change arising out of matters of a general economic nature or matters (including, without limitation, competition caused by or arising from multichannel multipoint distribution services and/or direct broadcast satellite and legislation, rulemaking or regulation) affecting the cable television industry generally, and (ii) no material loss, damage, impairment, confiscation or condemnation of any of the Assets that has not been repaired or replaced.

6.1.8 Franchise Extension. The City of Clearlake shall have taken final action to extend the Franchise granted by the City of Clearlake and held by Seller as provided in Section 5.1.5 hereof.

6.1.9 The Subscriber Estimate shall not be less than 16,650; provided, that if the Subscriber Estimate is less than 16,650, Buyer may elect to proceed with the Closing, in which event the EBS Adjustment Amount shall be $804,050.00 at the Closing, subject to the provisions of Section 2.5(b) hereof.

6.2. Conditions Precedent to Seller's Obligations. The obligations of Seller under this Agreement with respect to the sale of the Assets shall be subject to the fulfillment on or prior to the Closing of each of the following conditions, which may be waived by Seller:

6.2.1 Accuracy of Representations; Performance of Agreements; and Officer's Certificate. All of the representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects at and as of the Closing Date as if given on the Closing Date, and Buyer shall have complied with and performed all of the agreements, covenants, and conditions required by this Agreement to be performed or complied with by it on or prior to the Closing. Buyer shall have furnished Seller with a member's certificate dated as of the Closing and executed by Mediacom LLC, certifying to the fulfillment of the foregoing conditions.

6.2.2 No Litigation. There shall be no Legal Requirement, and no Judgment shall have been entered and not vacated by any Governmental Authority of competent jurisdiction in any Litigation or arising therefrom, that enjoins, restrains, makes illegal, or prohibits consummation of the transactions contemplated by this Agreement.

6.2.3 HSR Act Compliance. All waiting periods under the HSR Act applicable to this Agreement or the transaction contemplated hereby shall have expired or been terminated.

6.2.4 Deliveries. Buyer shall have made or stand willing and able to make all the deliveries to Seller set forth in Section 7.3.

6.2.5 Consents. Seller shall have obtained each of the Material Consents. Notwithstanding the foregoing, Buyer shall be entitled to waive Seller's obligation to obtain any Material Consent other than those Consents necessary to transfer the Franchises; provided that Seller shall have no liability to Buyer for Seller's inability to procure such Consent.

7. CLOSING.

7.1. Time and Place. The consummation of the transfer and delivery of the Assets to Buyer and the receipt of the consideration therefore by Seller shall constitute the "Closing." Unless otherwise mutually agreed to by the parties, the Closing shall take place by mail and/or by facsimile. The parties agree that a signature on a document received by the other party via facsimile shall be deemed valid and binding if the original executed document is sent for delivery to the other party by an overnight courier service that guarantees overnight delivery. Closing shall occur on the first business day of the month immediately following the month in which all conditions set forth in Sections 6.1 and 6.2 have been satisfied or waived (provided that such date is no less than ten (10) business days after all such conditions have been satisfied) or on such other date as Buyer and Seller shall mutually agree (the "Closing Date"). All allocations provided for hereunder shall be made as of the Adjustment Time on the Closing Date, except as otherwise agreed in writing by the parties. In no event shall the Closing be held later than February 27, 1998 (the "Outside Closing Date"), unless Buyer and Seller otherwise mutually agree.

7.2. Seller's Deliveries. At the Closing, Seller shall deliver or cause to be delivered to Buyer the following:

7.2.1 Bill of Sale. An executed Bill of Sale, Assignment and Assumption Agreement in the form attached hereto as Exhibit B;

7.2.2 Vehicle Titles. Title certificates to all vehicles included among the Assets, endorsed for transfer of title to Buyer, and separate bills of sale therefor if required by the laws of the state in which such vehicles are titled;

7.2.3 Deeds: Documents of Conveyance and Transfer. Executed grant deeds conveying to Buyer, subject only to Permitted Liens, each fee parcel of the Real Property and assignments of all rights of Seller in any Real Property not owned by Seller;

7.2.4 Certificate. The certificate described in Section 6.1.1;

7.2.5 Consents. The original of each Consent received by Seller and the original (to the extent such original is reasonably available, and if not so available, a copy) of each Material Consent.

7.2.6 Franchises, Licenses. Assumed Contracts. and Business Records. To the extent not previously delivered, copies of all Franchises, Licenses, Assumed Contracts, customer and subscriber lists, blueprints, schedules, drawings, plans, projections, engineering records, and all files and records used by Seller in connection with its operation of the System;

7.2.7 Opinions of Counsel. The opinion of Elizabeth M. Steele, Seller's counsel, addressed to Buyer and dated as of the Closing Date, substantially in the form attached hereto as Exhibit C; and the opinion of Cole, Raywid, & Braverman, LLP, Seller's FCC Counsel, addressed to Buyer and dated as of the Closing Date, substantially in the form attached here as Exhibit F;

7.2.8 Noncompete. The Noncompetition Agreement substantially in the form attached hereto as Exhibit D, duly executed by Seller;

7.2.9 Indemnity Escrow Agreement. An executed counterpart of an Indemnity Escrow Agreement substantially in the form attached hereto as Exhibit A; and

7.2.10 Other Documents.

(a) Subject to the review and approval of Buyer, revised Schedules, certified by Seller as being true and correct in all material respects as of the Closing Date; and

(b) Such other documents and instruments as shall be necessary to effect the intent of this Agreement and consummate the transaction contemplated by this Agreement.

7.3. Buyer's Obligations. At the Closing, Buyer shall deliver or cause to be delivered to Seller the following:

7.3.1 Purchase Price. The Purchase Price, payable as provided in Section 2.4;

7.3.2 Bill of Sale, Assignment and Assumption Agreement. An executed counterpart of an Assumption Agreement, substantially in the form attached hereto as Exhibit B;

7.3.3 Officer's Certificate. The certificate described in Section 6.2.1;

7.3.4 Opinion of Counsel. An opinion of Cooperman Levitt Winikoff Lester and Newman, P.C., Buyer's counsel, substantially in the form of Exhibit E;

7.3.5 Noncompete. An executed counterpart of the Noncompetition Agreement substantially in the form attached hereto as Exhibit D;

7.3.6 Indemnity Escrow Agreement. An executed counterpart of an Indemnity Escrow Agreement substantially in the form attached hereto as Exhibit A; and

7.3.7 Other Documents. Such other documents and instruments as shall be necessary to effect the intent of this Agreement and consummate the transaction contemplated by this Agreement.

8. TERMINATION.

8.1. Termination Events. This Agreement may be terminated and the transaction contemplated by this Agreement may be abandoned:

8.1.1 at any time, by the mutual agreement of Buyer and Seller;

8.1.2 at any time, by either Buyer or Seller if the other is in material breach or default of its respective covenants, agreements, or other obligations in this Agreement, or if any of the other's representations in this Agreement or any Transaction Document are not true and accurate in all material respects when made or when otherwise required by this Agreement to be true and accurate, except that the party in breach or default shall be given notice by the other party and an opportunity to begin and a reasonable period of time to diligently pursue a cure before the other party shall terminate this Agreement;

8.1.3 by either Buyer or Seller, upon written notice to the other, if any of the conditions to its obligations set forth in Sections 6.1 and 6.2, respectively, shall not have been satisfied on or before the Outside Closing Date for any reason other than a material breach or default by such party of its respective covenants, agreements, or other obligations hereunder, or any of its representations herein not being true and accurate in all material respects when made or when otherwise required by this Agreement to be true and accurate in all material respects;

8.1.4 by Seller or Buyer as provided in and subject to the provisions of Section 5.12 hereof; or

8.1.5 as otherwise provided in this Agreement.

8.2. Effect of Termination.

8.2.1 Costs and Return of Information. Without limiting any other provision of this Section 8.2, if the transaction contemplated by this Agreement is terminated and abandoned as provided herein: (i) each party shall pay the costs and expenses incurred by it in connection with this Agreement, and no party (or any of its officers, directors, employees, agents, representatives or shareholders) shall be liable to any other party for any costs, expenses or damages except as expressly specified herein; (ii) each party shall re-deliver all documents, work papers and other materials of the other party relating to the transaction contemplated hereby, whether so obtained before or after the execution hereof, to the party furnishing the same; (iii) all confidential information received by either party hereto shall be treated in accordance with Section 10.1 hereof; and (iv) neither party hereto shall have any liability or further obligation to the other party to this Agreement except (a) as stated in subparagraphs (ii) and (iii) of this Section 8.2.1, and (b) to the extent applicable, as set forth in Sections 8.2.2 and 8.2.3 below.

8.2.2 Buyer's Remedies. If both (a) this Agreement is terminated prior to Closing by Buyer pursuant to Section 8.1.2 or 8.1.3 as a result of a breach by Seller in any material respect of any of its representations and warranties made herein or its covenants or agreements made herein and (b) Buyer is not in breach in any material respect of any of its representations and warranties made herein or its covenants or agreements made herein, the Deposit and all accrued interest thereon shall be returned to Buyer, and Buyer shall have, in addition to its right to receive the Deposit and all accrued interest thereon, the right to seek monetary damages from Seller; provided, however, that such damages shall be limited to $1,000,000.00; and provided further, that in no event shall Buyer be entitled to make any claim against Seller for, nor be entitled to damages from Seller for, any anticipated profits it lost as a result of Buyer's not acquiring the System; and provided further, that nothing in this Section 8.2.2 shall be an admission by Seller that Buyer shall be entitled to damages for anticipated profits under any circumstances. If Seller defaults in the performance of its obligations under this Agreement, Buyer shall be entitled, in addition to any other remedies that may be available, to request Seller to specifically perform its obligations under this Agreement, if necessary, through injunction, court order or other process, and to recover from Seller any costs or expenses reasonably incurred by Buyer in connection therewith.

8.2.3 Seller's Remedies. If both (a) this Agreement is terminated prior to the Closing by Seller pursuant to Section 8.1.2. or Section 8.1.3 as a result of a breach by Buyer in any material respect of any of its representations and warranties made herein or its covenants or agreements made herein and (b) Seller is not in breach in any material respect of any of its representations and warranties made herein or its covenants or agreements made herein, then Seller shall have as its sole and exclusive remedy the right to receive the Deposit and all interest accrued thereon as liquidated damages and not as a penalty.

9. SURVIVAL OF REPRESENTATIONS AND INDEMNITY.

9.1. Survival of Representations, Warranties and Covenants. All representations, warranties, covenants and agreements contained in this Agreement and in any Transaction Document shall be deemed continuing representations, warranties, covenants and agreements and shall survive Closing for a period ending on the date which is one year after the Closing Date, except for representations and warranties set forth in Section 3.10 (Taxes), Section 3.5 (Title to Personal Property) and Section 3.14 (Environmental Laws and Regulations), which shall survive for the period of the applicable statutes of limitations. If Closing occurs, neither party shall have liability to the other (for indemnification or otherwise) with respect to any representation or warranty unless, on or prior to the end of the applicable survival period, such party is given notice of a claim with respect thereto and specifying the factual basis of that claim in reasonable detail to the extent then known to the claiming party.

9.2. Seller's Indemnity. Seller shall indemnify and hold Buyer, its affiliates, officers, directors, employees, agents, and representatives, and any Person claiming by or through any of them, as the case may be, harmless from and against any Losses arising out of or resulting from:

9.2.1 all actual or purported liabilities and obligations of Seller, and all claims and demands made in respect thereof, whether or not known or asserted at or prior to the Closing (except the Assumed Liabilities);

9.2.2 the operation of the System, including, but not limited to, any third party claims arising from or related to, periods prior to the Adjustment Time; and

9.2.3 any misrepresentation, breach of warranty, or nonfulfillment of any agreement or covenant on the part of Seller under this Agreement or any Transaction Document.

Notwithstanding the provisions of Section 9.1 above, Seller's indemnification obligations to Buyer for the matters set forth in Sections 9.2.1 and 9.2.2 shall survive Closing indefinitely.

9.3. Buyer's Indemnity. Buyer shall indemnify and hold Seller, its affiliates, officers, directors, employees, agents, and representatives, and any Person claiming by or through any of them, as the case may be, from and against any Losses arising out of or resulting from:

9.3.1 the Assumed Liabilities;

9.3.2 the operation of the System subsequent to the Adjustment Time; and

9.3.2 any misrepresentation, breach of warranty, or nonfulfillment of any agreement or covenant on the part of Buyer under this Agreement or any Transaction Document.

9.4 Procedure for Indemnified Third Party Claim. Promptly after receipt by a party entitled to indemnification under this Agreement (the "Indemnitee") of written notice of the assertion or the commencement of any Litigation with respect to any matter referred to in Sections 9.2 and 9.3, the Indemnitee shall give written notice thereof to the party from whom indemnification is sought pursuant hereto (the "Indemnitor") and thereafter shall keep the Indemnitor reasonably informed with respect thereto. Failure of the Indemnitee to give the Indemnitor notice as provided herein shall not relieve the Indemnitor of its obligations hereunder unless the Indemnitee's failure to give the Indemnitor timely notice materially limits or prejudices the Indemnitor's ability to defend, in which case such failure of the Indemnitee to give the Indemnitor notice shall relieve the Indemnitor of its indemnification obligations. In case any Litigation shall be brought against any Indemnitee, the Indemnitor shall be entitled to participate in such Litigation, such Litigation may not be settled by the Indemnitee without the consent of the Indemnitor, and, at the request of the Indemnitee, the Indemnitor shall assume the defense thereof with counsel mutually satisfactory to the Indemnitor and the Indemnitee, at the Indemnitor's reasonable expense. If the Indemnitor and the Indemnitee cannot agree on the choice of a single counsel, both the Indemnitor and the Indemnitee shall have separate counsel at the Indemnitor's expense provided that Indemnitor's obligations hereunder with respect to expenses incurred by Indemnitee shall be limited to expenses and fees reasonably incurred by the Indemnitee. If the Indemnitor shall assume the defense of any Litigation, it shall not settle the Litigation unless the settlement shall include as an unconditional term thereof the giving by the claimant or the plaintiff of a release of the Indemnitee, satisfactory to the Indemnitee, from all liability with respect to such Litigation.

9.5 Determination of Indemnification Amounts. Seller and Buyer shall have no liability under Sections 9.2 and 9.3, respectively, unless the aggregate amount of Losses otherwise subject to its indemnification obligations thereunder exceeds $100,000 (the "Threshold Amount"); provided, however, that (i) when the Losses of an Indemnitee exceed the Threshold Amount, the Indemnitor shall be liable for the Indemnitee's aggregate Losses of the Threshold Amount and any Losses in excess of the Threshold Amount and (ii) the Threshold Amount shall not apply to claims for which Seller is required to indemnify Buyer under Sections 9.2.1 and 9.2.2. All Losses shall be computed net of any insurance proceeds received which reduces the Losses that would otherwise be sustained.

9.6 Indemnity Escrow - Limitation on Damages. As described in Section 2.4 above, at Closing, the Deposit is to be retained by Escrow Agent and applied in accordance with the terms of the Indemnity Escrow Agreement. In no event shall any claims against Seller, or any general partner thereof, arising out of or related to this Agreement exceed two million one hundred forty thousand dollars ($2,140,000) either individually or in the aggregate except for any claims arising from (i) fraud on the part of Seller in connection with this Agreement or the transactions contemplated hereby; (ii) claims for breach by Seller, or any general partner thereof, of its Noncompetition Agreement; or (iii) claims for which Seller is required to indemnify Buyer pursuant to the provisions of Section 9.2.1 and 9.2.2 above.

9.7. Determination of Indemnification Amounts and Related Matters.

9.7.1 Amounts payable by the Indemnitor to the Indemnitee in respect of any Losses under this Section 9 shall be payable by the Indemnitor to the Indemnitee promptly upon agreement by Indemnitor or final determination of the validity of such claim for Losses.

9.7.2 In calculating amounts payable to an Indemnitee under this Agreement, the amount of the indemnified Losses shall be "grossed-up" by the amount of any increase in the Indemnitee's liability for Taxes resulting from indemnification by the Indemnitor under this Agreement.

10. CONFIDENTIALITY AND PRESS RELEASES.

10.1. Confidentiality. Except as may be required by law, each party shall hold in strict confidence all documents, information, or data, whether written or oral, relating to the System and furnished to the other party or its employees, members, lenders, agents, advisors or consultants (collectively, the "Confidential Information"). If the transaction contemplated hereby should not be consummated, such confidence shall be maintained, and all such Confidential Information and all copies thereof shall immediately be destroyed, or returned to the appropriate party. For the purposes of this Agreement, the following shall not be considered Confidential Information: (a) information that was known by the receiving party, its directors, officers, employees, advisors, consultants or affiliates prior to the disclosure thereof by the party delivering such information; (b) information that is or becomes generally available to the general public other than as a result of a disclosure made directly or indirectly by the party receiving information hereunder in breach of the provisions hereof; (c) information that is independently developed by the party receiving information hereunder, its directors, officers, employees, advisors, consultants or its affiliates; or (d) information that is or becomes available to the party receiving information hereunder on a nonconfidential basis from a source other than the party providing information hereunder or its directors, officers, or employees, provided that such source is not known by the party receiving information hereunder to be bound by any obligation of confidentiality in relation thereto.

10.2. Press Releases. No press release or public disclosure, either written or oral, of the existence or terms of this Agreement shall be made by either Buyer or Seller prior to the Closing without the consent of the other, and Buyer and Seller shall each furnish to the other advance copies of any release which it proposes to make public concerning this Agreement or the transactions contemplated hereby and the date upon which Buyer or Seller, as the case may be, proposes to make such press release. This provision shall not, however, be construed to prohibit any party from making any disclosures in accordance with the rules and regulations of any Governmental Authority with which it is required to comply under any Legal Requirement, or from filing this Agreement with, or disclosing the terms of this Agreement to, any governmentally regulated institutional lender to such party.

11. BROKERAGE FEES. Buyer and Seller represent and warrant to the other that it has not incurred any obligations or liabilities, contingent or otherwise, for brokerage or finder's fees or agent's commissions or other like payment in connection with this Agreement or the transactions contemplated hereby for which it will have any liability, except (i) Seller has retained The Jones Group, Ltd. (the "Group") as its sole broker and finder in connection with this Agreement and the transaction contemplated hereby, and Seller has agreed to pay the entire commission of the Group. Buyer shall have no liability or responsibility for the commission payable to Group. Seller shall indemnify and hold Buyer harmless against and in respect of any breach by it of the provisions of this Section 11, and Buyer shall indemnify and hold Seller harmless against and in respect of any breach by it of the provisions of this Section 11.

12. CASUALTY LOSSES. The risk of any loss or damage to the Assets resulting from fire, theft or any other casualty (except reasonable wear and tear) shall be borne by Seller at all times prior to the Adjustment Time. In the event that any such loss or damage shall be sufficiently substantial so as to preclude and prevent within thirty (30) days from the occurrence of the event resulting in such loss or damage resumption of normal operations of any material portion of the System or replacement or restoration of the lost or damaged Assets, Seller shall immediately notify Buyer in writing of its inability to resume normal operations or to replace or restore the lost or damaged Assets, and Buyer, at any time within 10 days after receipt of such notice, may elect by written notice to Seller to either (i) waive such defect and proceed toward consummation of the transaction in accordance with terms of this Agreement, or (ii) terminate this Agreement. If Buyer elects to terminate this Agreement, Buyer and Seller shall stand fully released and discharged of any and all obligations hereunder. If Buyer shall elect to consummate the transaction contemplated by this Agreement notwithstanding such loss or damage and does so, all insurance proceeds payable as a result of

the occurrence of the event resulting in such loss or damage shall be delivered by Seller to Buyer, or the rights thereto shall be assigned by Seller to Buyer if not yet paid over to Seller and the Purchase Price shall be reduced by the amount of any deductible.

13. MISCELLANEOUS.

13.1. Further Assurances. From time to time after the Closing, Seller shall, if reasonably requested by Buyer, make, execute and deliver to Buyer such additional assignments, bills of sale, deeds and other instruments of transfer, as may be necessary or proper to transfer to Buyer all of Seller's right, title, and interest in and to the Assets.

13.2. Notices. All notices, requests, demands, and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (i) mailed, registered or certified mail, return receipt requested, postage prepaid, (ii) delivered by hand, (iii) sent by facsimile transmission, or (iv) delivered by courier, to the following addresses, or at such other address as a party may designate by notice given in accordance with this Section 13.2:

(i) If to Seller:

Jones Cable Income Fund 1-B/C Venture
c/o Jones Intercable, Inc.
9697 East Mineral Avenue
P.O. Box 3309
Englewood, Colorado 80155-3309
Attention: President
Facsimile: (303) 799-4675

With a copy to:

Jones Intercable, Inc.
9697 East Mineral Avenue
P.O. Box 3309
Englewood, Colorado 80155-3309
Attention: General Counsel
Facsimile: (303) 799-1644

(ii) If to Buyer:
Mediacom California LLC
c/o Mediacom LLC
90 Crystal Run Road Suite 406-A
Middletown, N.Y. 10940
Attn: Rocco B. Commisso
Facsimile: (914) 695-2699

With copies to:
Cooperman Levitt Winikoff Lester & Newman, P.C.
800 Third Avenue, 30th Floor
New York, New York 10022
Attn: Robert L. Winikoff, Esq.
Facsimile: (212) 755-2839

Notices delivered personally or by courier shall be effective upon delivery to the intended recipient. Notices transmitted by facsimile transmission shall be effective when confirmation of transmission is received. Notices delivered by registered or certified mail shall be effective on the delivery date set forth on the receipt of registered or certified mail, or three days after deposit in the mail, whichever is earlier.

13.3. <u>Assignment: Binding Effect</u>. Neither party may assign this Agreement or any interest herein without the prior written consent of the other party, except that Buyer may assign this Agreement to any entity controlling, controlled by or under common control with Buyer, in which case Buyer shall have no further liability or obligation under this Agreement. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

13.4. <u>Expenses</u>. Each party shall bear its own expenses and the fees and expenses of its legal counsel, accountants, and other experts incurred in connection with the preparation of this Agreement and the consummation of the transactions contemplated by this Agreement.

13.5. <u>Taxes</u>. Any sales, use, transfer or documentary taxes imposed in connection with the sale and delivery of the Assets and rights acquired by Buyer under this Agreement shall be paid by Buyer; provided, however, that Seller agrees to reimburse Buyer for one-half of any such taxes paid.

13.6. <u>Collection of Accounts</u>. Except as otherwise provided herein, from and after the Closing Date, Buyer shall have the right and authority, at its expense, to collect for its account all items to which it is entitled as provided in this Agreement and to endorse with the name of Seller any checks or drafts received on account of any such items.

13.7. Entire Agreement; Amendments; Waivers. This Agreement merges all previous negotiations between the parties hereto (including, but not limited to, the terms and provisions of any letter of intent) and constitutes the entire agreement and understanding between the parties with respect to the subject matter of this Agreement. No alteration, modification or change of this Agreement shall be valid except by an agreement in writing executed by the parties hereto. No failure or delay by any party in exercising any right, power or privilege hereunder (and no course of dealing between or among any of the parties) shall operate as a waiver of any such right, power, or privilege. No waiver of any default on any one occasion shall constitute a waiver of any subsequent or other default. No single or partial exercise of any such right, power, or privilege shall preclude the further or full exercise thereof.

13.8. Counterparts. This Agreement may be executed in one or more counterparts with the same effect as if all of the signatures on such counterparts appeared on one document. All executed counterparts shall together constitute one and the same agreement.

13.9. Severability. If any provision of this Agreement or the application thereof to any Person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

13.10. Schedules and Exhibits: Headings. All references herein to Schedules and Exhibits are to the Schedules and Exhibits attached hereto, which shall be incorporated in and constitute a part of this Agreement by such reference. The headings in this Agreement are for purposes of reference only and shall not limit or otherwise affect the meaning of this Agreement.

13.11. Governing Law. The validity, performance, and enforcement of this Agreement and all Transaction Documents, unless expressly provided to the contrary, shall be governed by the laws of the State of California, without giving effect to the principles of conflicts of law of such State.

13.12. Third Parties: Joint Ventures. This Agreement constitutes an agreement solely among the parties hereto, and, except as otherwise provided herein, is not intended to and will not confer any rights, remedies, obligations, or liabilities, legal or equitable, including any right of employment, on any Person (including but not limited to any employee or former employee of Seller) other than the parties hereto and their respective successors, or assigns, or otherwise constitute any Person a third party beneficiary under or by reason of this Agreement. Nothing in this Agreement, expressed or implied, is intended to or shall constitute the parties hereto partners or participants in a joint venture.

13.13. Construction. This Agreement has been negotiated by Buyer and Seller and their respective legal counsel, and legal or equitable principles that might require the construction of this Agreement or any provision of this Agreement against the party drafting this Agreement shall not apply in any construction or interpretation of this Agreement.

13.14. _Attorneys' Fees_. Notwithstanding any other provision of this Agreement, the prevailing party in any Litigation between Seller and Buyer with respect to this Agreement or the transactions contemplated hereby shall be entitled to recover from the nonprevailing party its reasonable attorneys' fees and costs of Litigation.

13.15 _Commercially Reasonable Efforts_. For the purposes of this Agreement, "commercially reasonable efforts" will not be deemed to require a party to undertake extraordinary measures, including the initiation or prosecution of legal proceedings or the payment of amounts in excess of normal and usual filing fees and processing fees, if any.

[Execution Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

SELLER:

JONES CABLE INCOME
FUND 1-B/C VENTURE
a Colorado general partnership

By: Jones Cable Income Fund 1-B, Ltd.,
a General Partner

By: Jones Cable Income Fund 1-C, Ltd.,
a General Partner

By: Jones Intercable, Inc.,
their General Partner

By: /s/ Elizabeth M. Steele

Name: Elizabeth M. Steele

Title: Vice President

BUYER:

MEDIACOM CALIFORNIA LLC, a Delaware
limited liability company

By: Mediacom LLC, a New York limited liability
company, a Member

By: /s/ Rocco B. Commisso

Name: Rocco B. Commisso

Title: Manager

EXHIBIT 10.13

ASSET PURCHASE AGREEMENT

AS OF AUGUST 29, 1997

BY AND AMONG

U.S. CABLE TELEVISION GROUP, L.P.,

ECC HOLDING CORPORATION

MISSOURI CABLE PARTNERS, L.P.

CABLEVISION SYSTEMS CORPORATION

AND

MEDIACOM LLC

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Schedule 4.05 - Buyer's Consents and Approvals

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the "Agreement") is made and entered into as of August 29, 1997, by and among U.S. Cable Television Group, L.P. ("U.S. Cable"), a Delaware limited partnership, ECC Holding Corporation, a Delaware corporation ("EEC"), Missouri Cable Partners, L.P., a Delaware limited partnership ("Missouri L.P.", and together with U.S. Cable and ECC, the "Sellers"), Cablevision Systems Corporation, a Delaware corporation ("Cablevision"), and Mediacom LLC, a New York limited liability company ("Buyer");

R E C I T A L S

Sellers own and operate cable television systems serving the communities described in Schedule 1.01(a).

Sellers desire to sell to Buyer, and Buyer desires to purchase from Sellers, the CATV Business and the assets used or held for the operation thereof in accordance with the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties agree as follows, each intending to be legally bound as and to the extent herein provided.

1. DEFINITIONS.

1.01 Certain Definitions. For the purposes of this Agreement, the following terms shall have the meanings set forth below:

Accounts Receivable: All active subscriber and advertising accounts receivable relating to the CATV Business.

Acquired Assets: All of the properties, assets, privileges, rights, interests, claims and goodwill, real and personal, tangible and intangible, of every type and description, including Sellers' leasehold interests or rights to possession, whether owned or leased or otherwise possessed, used or held for use by Sellers in connection with the CATV Business, now in existence or hereafter acquired by Sellers in compliance with the terms of this Agreement prior to the Closing, including, without limitation, the Accounts Receiv able, the CATV Instruments, the Equipment, the Real Property, the Contracts, the Inventory and the Intangible Property; provided that Acquired Assets shall exclude the Excluded Assets and any assets disposed of prior to the Closing in the usual and ordinary course of business and not in violation of this Agreement.

Agreement: This Agreement and the Schedules and Exhibits attached hereto.

Alabama Regional CATV System: All of Sellers' CATV Systems described in Schedule 1.01(a) under the caption "Alabama Regional CATV System".

Allocation Firm: As defined in Section 2.08.

Asserted Claim: As defined in Section 10.04.

Assumed Liabilities: All liabilities, obligations and commitments of Sellers (a) under the CATV Instruments, the CATV Licenses, the Equipment, the Real Property, the Contracts, the Inventory, the Intangible Property and any other Acquired Assets attributable to periods on and after the Closing Date, (b) arising out of Buyer's ownership of the Acquired Assets attributable to periods on and after the Closing Date and (c) to the extent (and only to the extent) constituting Current Liabilities that are included in the Final Working Capital Statement.

Balance Sheets: As defined in Section 3.03.

Basic Subscriber: As at any date of determination thereof, the sum of (a) the total number of households (exclu sive of accounts which are provided free service as a courtesy and "second outlets", as such term is commonly understood in the cable television industry, and exclusive of customers billed on a bulk-billing or commercial-account basis and exclusive of senior citizen subscribers that do not pay the regular monthly rate in respect of the service provided) subscribing on such date to at least the most basic tier of service offered by the relevant CATV System and paying undiscounted regular monthly service fees and charges imposed in respect of such service, and, if also subscribing to the expanded basic tier, also paying undiscounted regular monthly service fees and charges imposed in respect of such service, each of which has paid in full without discount at least one monthly bill generated in the ordinary course of business, none of which is pending disconnection for any reason, none of which is, as of the date of determination, delinquent in payment for services for more than sixty days (measured from the first day of the month in which the service with respect to which an unpaid billing statement relates was provided); and (b) the total number of Equivalent Subscribers on such date; provided, there shall be excluded from the definition of Basic Subscriber any subscriber who comes within the definition of Basic Subscriber because (i) its account has been compromised or written off within the twelve month period preceding the date of determination, other than in the ordinary course of business consistent with past practices for reasons such as service interruption or waiver of late charges but not for the purpose of making it qualify as a Basic Subscriber or (ii) it was obtained through offers made, promotions conducted or discounts given which were designed to temporarily increase the number of Basic Subscribers.

Basic Subscriber Estimate: As defined in Section 2.03.

Basic Subscriber Statement: As defined in Section 2.04(b).

Benefit Plans: As defined in Section 3.09(a).

Buyer: As defined in the Preamble to this Agreement.

Buyer Indemnified Party: As defined in Section 10.03(a).

Buyer's Basket: As defined in Section 10.02(c).

Buyer's Counsel: Cooperman Levitt Winikoff Lester & Newman, P.C.

Buyer's Objection: As defined in Section 2.04(b).

Buyer's Working Capital Objection: As defined in Section 2.04(a).

Cablevision: As defined in the Preamble to this Agreement.

CATV: Cable television.

CATV Business: The CATV business to be transferred to Buyer, currently owned and operated by Sellers, which consists of the transmission, distribution and local origination of audio and video signals over the CATV Systems used by the respective CATV business located in the System Area.

CATV Business Material Adverse Effect: Means a material adverse effect on the assets, financial condition or results of operations of all of the CATV Business taken as a whole other than any such effect resulting from changes in general economic or political conditions or legal, governmental, regulatory or competitive factors affecting CATV systems operators generally.

CATV Instruments: All franchises, ordinances or licenses granted to the Sellers by any Governmental Authority; permits for wire crossings over or under highways, railroads, and other property; construction permits and certificates of occupancy; business radio, Earth Station and other FCC licenses; pole attachment and other Contracts with utilities; federal, state, county and municipal permits, orders, variances, exemptions, approvals, consents, licenses and other authorizations; lease access agreements; and all other approvals, consents and authorizations used or held for use in the CATV Business.

CATV Licenses: The franchises and licenses issued by any Governmental Authority and the licenses issued by the FCC used in the CATV Business as presently conducted by Sellers, all of which are listed in Schedule 1.01(a).

CATV System: A complete CATV reception and distribution system consisting of one or more head-ends, one or more microwave receive sites, trunk cable, subscriber drops and associated electronic equipment, which is, or is capable of being, operated as an independent system without inter-connections to other systems.

Closing: A meeting for the purpose of concluding the transactions contemplated by this Agreement held at the place and on the date fixed in accordance with Section 12.01.

Closing Date; Date of Closing: The date fixed for the Closing in accordance with Section 12.01.

Code: The Internal Revenue Code of 1986, as amended.

Communications Act: As defined in Section 3.07(c).

Consents: Any registration or filing with, consent or approval of, notice to, or action by any Person or Governmental Authority required to permit the transfer of the Acquired Assets to Buyer, the assumption by Buyer of the Assumed Liabilities, or the performance by any Seller or Buyer of any of their respective other obligations under this Agreement.

Contract: Any contract (other than a programming contract), mortgage, deed of trust, bond, indenture, lease, license, note, certificate, option, warrant, retransmission agreement, must-carry election and lease access agreement (but only to the extent such agreement or election is assignable in accordance with its terms), right, or other instrument, document or written agreement relating to the CATV Business to which the Sellers are parties or by which the Sellers or the assets of the Sellers included within the CATV Business are bound, excluding any CATV Instrument.

Copyright Act: As defined in Section 3.07(d).

Covenantors: As defined in Section 5.06.

CPA Firm: As defined in Section 2.04(a).

Current Assets: Means one hundred percent (100%) of Accounts Receivable that are sixty (60) days or less past due and zero percent (0%) of Accounts Receivable more than sixty (60) days past due (measured in each case from the first day of the month in which the service with respect to an unpaid billing statement relates was provided), plus all deposits with utilities, under leases or related to guides, billing service (to the extent the contract pursuant to which such service is provided is assigned to Buyer), postage, the pro rata portion of any prepaid taxes in respect of the Acquired Assets, all prepaid expenses, including in respect of pole rental or equipment maintenance agreements that are Acquired Assets, and in respect of rent, postage, promotional expenditures, guides, security service or two-way radio, and other current assets (exclusive of Inventory), in each case relating to the CATV Business and each as determined in accordance with GAAP (unless otherwise specified herein) and consistent with Schedule 1.01(b) hereto but excluding any such assets that are also Excluded Assets, which Schedule sets forth the type and amounts of Current Assets as of May 31, 1997.

Current Liabilities: Means accounts payable and accrued expenses relating to the CATV Business and determined in accordance with GAAP, and consistent with Schedule 1.01(c) hereto, which Schedule sets forth the type and amounts of Current Liabilities as of May 31, 1997; provided, however, that there shall be excluded from Current Liabilities any payable or expense that relates to a contract commitment or arrangement, or other asset of Sellers which is not being transferred to Buyer hereunder.

DOJ: The United States Department of Justice.

Earnest Money Escrow: As defined in Section 2.05.

Earnest Money Escrow Agent: As defined in Section 2.05.

Earnest Money Escrow Agreement: As defined in Sec tion 2.05.

Earth Station: A satellite earth receiving station consisting of one or more "dish" antennas, usually operated in conjunction with a building which houses electronic signal processing and amplification equipment, all of which is also referred to as a "head end".

ECC: As defined in the Preamble to this Agreement.

Employees: Means all employees of Sellers employed in the operation of the CATV Business.

Encumbrances: Means any security agreement, conditional sale or other title retention agreement, any lease, consignment or bailment given for purposes of security, any lien, mortgage, pledge, encumbrance, adverse interest, constructive trust or other trust, attachment, exception to or defect in title or other ownership interest (including, but not limited to, reservations, rights of entry, possibilities of reverter, encroachments, easements, rights-of-way, rights of first refusal, restrictive covenants, leases, and licenses) of any kind that otherwise constitutes an interest in or claim against property, whether arising pursuant to any Law, under any Contract or otherwise.

Environmental Law: Means any Law governing the protection of the environment, (including air, water, soil and natural resources) or the use, storage, handling, release or disposal of any hazardous or toxic substance.

Environmental Reports: As defined in Section 10.05.

Equipment: All tangible personalty; electronic devices; towers; trunk and distribution cable; decoders and spare decoders for scrambled satellite signals; amplifiers; power supplies; conduit; vaults and pedestals; grounding and pole hardware; installed subscriber's devices (including, without limitation, drop lines, converters, encoders, transformers behind television sets, remote controls and fittings); "head-ends" and "Hubs" (origination, transmission and distribution system) hardware; tools; spare parts; maps and engineering data; vehicles; supplies, tests and closed circuit devices; furniture and furnishings; billing equipment, telephonic equipment and other equipment owned by Sellers and used primarily in the CATV Business whether or not located at the CATV Systems; and all other tangible personal property and facilities owned by Sellers and used in the CATV Business.

Equivalent Subscriber: At any date of determination thereof, the number of Equivalent Subscribers shall be equal to the aggregate number of Equivalent Subscribers in the Regional CATV Systems. The number of Equivalent Subscribers in each Regional CATV System shall be equal to the quotient of (a) the aggregate billings by such Regional CATV System for basic and expanded basic service provided by that Regional CATV System based on billing reports prepared in the ordinary course of business, during the last full month ending on or prior to such date, to residential multiple dwelling units, commercial accounts, other subscribers that are billed for such service on a bulk basis and single family households (including senior citizen subscribers that do not pay the regular monthly rate in respect of the service provided) which pay less than that Regional CATV System's regular monthly rate for basic and expanded basic service and are not included in Clause (a) of the definition of "Basic Subscriber" above, divided by (b) that Regional CATV System's regular monthly subscriber rate for basic and expanded basic service, which for purposes of this definition shall be the weighted average rate of those charges within that Regional CATV System in effect for such month. For purposes of the foregoing, there shall be excluded (A) all billings from premium services, installation or other non-recurring charges, converter rental or from any outlet or connection other than the first or from any pass-through charge for sales taxes, line-itemized franchise fees, fees charged by the FCC and the like, and (B) all billings to a commercial or bulk account or discounted family household (i) which has not paid in full at least one monthly bill generated in the ordinary course of business, (ii) which is delinquent in payment for services for more than sixty (60) days measured from the first day of the month in which the service with respect to which an unpaid billing statement relates was provided (exclusive of account balances of $8.00 or less attributed to late fees) based on billing reports prepared in the ordinary course of business, (iii) which is pending disconnection for any reason or (iv) which was obtained through offers made, promotions conducted or discounts given which, in each case, were designed to temporarily increase the number of Basic Subscribers.

ERISA: The Employee Retirement Income Security Act of 1974, as the same has been and may be amended from time to time.

ERISA Affiliate: As defined in Section 3.09(c).

Estimated Working Capital Amount: Means (i) if Current Liabilities exceed Current Assets as reflected on the Estimated Working Capital Statements, such excess, expressed as a negative number, or (ii) if Current Assets exceed Current Liabilities as reflected on the Estimated Working Capital Statements, such excess, expressed as a positive number.

Estimated Working Capital Statements: As defined in Sec tion 2.03.

Excluded Assets: Means (i) the partnership and corporate and financial books, records and documents of Sellers (including tax records), (ii) all cash and cash equivalents, (iii) all notes, accounts and other claims receivable among the Sellers, (iv) all current assets (other than Inventory) of Sellers (determined in accordance with GAAP) as of the Closing Date that are not included in Current Assets, (v) all agreements of Sellers other than those relating to the CATV Business and including any agreements in respect of borrowings of the Sellers, (vii) all claims (other than such as are included in Current Assets) with respect to tax abatements and refunds relating to periods prior to the Closing Date, (viii) programming agreements (other than assignable retransmission consents, must carry elections and lease access agreements applicable to the CATV Business),(ix) Benefit Plans and interests in multi-employer plans, (x) insurance policies, (xi) bonds, (xii) the name "Cablevision", "Cablevision Systems" or "U.S. Cable" and all logos, trademarks and intellectual property associated with such names, (xiii) the capital stock of ECC and the partnership interests in Missouri, L.P., and (xiv) the assets and properties of Sellers listed on Schedule 1.01(d).

Excluded Liabilities: Means all liabilities, obligations and commitments of the Sellers, other than the Assumed Liabilities, including, but not limited to, all liabilities, obligations and commitments arising out of or relating to Sellers' ownership of the Acquired Assets and operations of the CATV Business attributable to periods prior to the Closing Date, any taxes not in respect of the Acquired Assets, indebtedness for money borrowed, obligations to Seller's partners, officers, directors and advisors, obligations relating to Excluded Assets, and the liabilities, obligations and commitments of Sellers identified on Schedule 1.01(e) in each case other than any Current Liabilities taken into account in determining the Final Working Capital Amount.

FCC: The Federal Communications Commission.

Final Basic Subscriber Statement: As defined in Sec tion 2.04(b).

Final Tangible Capital Expenditures Statement: As defined in Section 2.04(b).

Final Working Capital Amount: Means (i) if Current Liabilities exceed Current Assets as reflected on the Final Working Capital Statements, such excess, expressed as a negative number, or (ii) if Current Assets exceed Current Liabilities as reflected on the Final Working Capital Statements, such excess, expressed as a positive number.

Final Working Capital Statement: As defined in Sec tion 2.04(a).

Financial Statements: As defined in Section 3.03.

Financing Commitment Letter: As defined in Section 4.07.

Florida Regional CATV System: All of Sellers' CATV Systems described in Schedule 1.01(a) under the caption "Florida Regional CATV System".

FTC: The Federal Trade Commission.

GAAP: Means U.S. generally accepted accounting principles consistently applied.

Governmental Authority: Means the Federal Government, any state, county, municipal, local or foreign government and any governmental agency, bureau, court, tribunal, department, board, commission, authority or body or any arbitrators or panel of arbitrators having jurisdiction with respect to a particular matter.

Hazardous Substance: Means any substance listed, defined, designated or classified as hazardous, toxic or radioactive under any applicable Environmental Law, including petroleum and petroleum related products.

HSR Act and Rules: The Hart-Scott-Rodino Antitrust Improvements Act of 1976 and the rules and regulations promulgated thereunder, as from time to time in effect prior to the Closing.

HSR Report: The Notification and Report Form for certain mergers and acquisitions mandated by the HSR Act and Rules.

Income Statements: As defined in Section 3.03.

Indemnitee: As defined in Section 10.04.

Indemnitor: As defined in Section 10.04.

Indemnity Escrow: As defined in Section 2.07.

Indemnity Escrow Agent: As defined in Section 2.07.

Intangible Property: The copyrights, patents, trade marks, service marks and trade names used in the CATV Business and all applications for, or licenses, permits or other rights to use any thereof, and the value associated therewith, which are owned, used or held for use by Sellers and used in the CATV Business.

Interim Financial Statements: As defined in Sec tion 3.03.

Inventory: Means all inventory as defined under GAAP, plus, without limitation, all supplies, all maintenance equipment, all uninstalled converters and other uninstalled subscriber devices, all cables and all amplifiers owned by

Sellers on the Closing Date as determined by the Sellers' inventory control systems and used in the CATV Business.

Judgment: Any judgment, writ, order, injunction, award or decree of or by any court, or judge, justice or magistrate, including any bankruptcy court or judge, and any order of or by any Governmental Authority.

Kentucky Regional CATV System: All of Sellers' CATV Systems described in Schedule 1.01(a) under the caption "Kentucky Regional CATV System."

Law: The common law and any statute, ordinance, code or other law, rule, regulation, order, technical or other standard, requirement or procedure enacted, adopted, promulgated, applied or followed by any Governmental Authority or court, including, without limitation, Judgments and the CATV Licenses.

LMDS: As defined in Section 5.06(a).

Losses: As defined in Section 10.02(a).

Management Agreement: As defined in Section 9.06(a).

Material CATV Instruments: Means all franchises, FCC Licenses and pole attachment agreements that are used in the CATV Business as presently conducted and any other CATV Instruments that are used in the CATV Business as presently conducted, the loss of which would materially and adversely affect or interfere with the operation of a Regional CATV System as presently conducted.

Material Contracts: Means the leases in respect of Real Property that have been marked with an asterisk on Schedule 3.02 (or any replacements thereof) and any other Contracts requiring in any calendar year payments or receipts exceeding $100,000 individually and that cannot be terminated on thirty (30) days' notice without liability.

Missouri L.P.: As defined in the Preamble to this Agreement.

Missouri Regional CATV System: All of Sellers' CATV Systems described in Schedule 1.01(a) under the caption "Missouri Regional CATV System."

MMDS: As defined in Section 5.06(a).

North Carolina Regional CATV System: All of Sellers' CATV Systems described in Schedule 1.01(a) under the caption "North Carolina Regional CATV System."

Organizational Documents: As defined in Section 3.02(b).

Outside Date: As defined in Section 12.01.

Overdue Receivables: The Accounts Receivable for which Buyer is paying Sellers zero percent (0%) of face value under Section 2.02 and the definition of Current Assets.

Permitted Encumbrances: Means those Encumbrances set forth in Schedule 1.01(f) hereto and all other Encumbrances, if any, which do not materially detract from the value of the tangible property subject thereto and which do not materially interfere with the present and continued use of such property in the operation of the CATV Business.

Person: Any natural person, Governmental Authority, corporation, general or limited partner, partnership, joint venture, trust, association, limited liability company or unincorporated entity of any kind.

Preliminary Working Capital Statements: As defined in Section 2.04(a).

Purchase Price: As defined in Section 2.02.

Rate Refund Adjustment: Means a final nonappealable order issued by a Governmental Authority (i) in which a regulated rate charged and collected by a Seller in any of the CATV Systems is found to have been higher than the amount permitted by Law and (ii) requiring the payment of refunds (in cash or by credit) to subscribers to a CATV System transferred to Buyer at Closing in respect of payments by those subscribers prior to the Closing Date and which have not been so refunded prior to the Closing Date together with any interest in respect of such refund but only if interest has been ordered paid by such Governmental Authority.

Real Property: All realty, fixtures, easements, rights-of-way, leasehold and other interests in real property, buildings and improvements owned, used or held for use in the CATV Business.

Regional CATV Systems: The Alabama Regional CATV System, the Florida Regional CATV System, the Kentucky Regional CATV System, the Missouri Regional CATV System, and the North Carolina Regional CATV System (each, a "Regional CATV System").

Regional Material Adverse Effect: Means a material adverse effect on the assets, financial condition or results of operations of a Regional CATV System taken as a whole other than any such effect resulting from changes in general economic or political conditions or legal, governmental, regulatory or competitive factors affecting CATV systems operators generally.

Relevant States: The states of Alabama, Florida, Illinois, North Carolina, Mississippi, Missouri, Kansas, Kentucky, Oklahoma and Tennessee which are those states in which the CATV Business is presently conducted.

Replacement Commitment Letter(s): A letter between Buyer and (i) any bank operating under the laws of the United States of America or any state thereof which has combined capital and surplus of at least $150,000,000, (ii) any "bulge bracket" investment bank, or (iii) any nationally recognized investment bank that regularly provides financing in connection with transactions of the size contemplated by this Agreement, or any combination thereof, that provides, on terms not different in substance from the Financing Commitment Letter, that such bank or investment bank will finance or underwrite the purchase of the Acquired Assets by Buyer.

Required Consents: The Consents designated as such on Schedules 3.02 and 4.05 by an asterisk.

Retained Basic Subscriber: As defined in Section 7.07.

Retained Franchises: As defined in Section 9.06.

Retained Franchise Price: An amount equal to $1,189.00 times the number of Retained Basic Subscribers.

Retained Systems Escrow Agreement: As defined in Section 2.02.

Section 626 Request: Means a request for renewal under Section 626 of the Communications Act.

Seller Indemnified Party: As defined in Section 10.02(a).

Sellers: As defined in the Preamble to this Agreement.

Seller's Basket: As defined in Section 10.03(c).

Sellers' Counsel: Sullivan & Cromwell and such other counsel in one or more jurisdictions as Sellers may determine. For purposes of Section 6.01(d), Sellers' Counsel may also include in-house counsel to Sellers and/or Cablevision.

Sellers' FCC Counsel: Piper & Marbury L.L.P.

Side: As defined in Section 9.02(c).

SMATV: As defined in Section 5.06(a).

Subscriber Adjustment: An amount equal to $1,189.00 times the difference between 265,000 and the number of Basic Subscribers of the CATV Business actually delivered on the Closing Date, if less than 265,000, such adjustment to be allocated by the Sellers to the appropriate Seller.

System Areas: The geographical areas covered by the cable television franchises in Schedule 1.01(a).

Tangible Capital Expenditures: Expenditures made by Sellers with respect to the CATV Systems included in the CATV Business, generally in accordance with the 1997 budget relating thereto delivered by Sellers to Buyer, to acquire or construct fixed assets, plant and equipment (including renewals, improvements and replacements, but excluding repairs) computed in accordance with GAAP less capitalized labor which has been reflected in income statements in accordance with GAAP.

Tangible Capital Expenditures Adjustment: An amount equal to the difference between $11,770,000 and the Tangible Capital Expenditures made by Sellers between January 1, 1997 and December 31, 1997 (or the Closing Date, if earlier) but only if such Tangible Capital Expenditures are less than $11,770,000.

Tangible Capital Expenditures Estimate: As defined in Section 2.03.

Tangible Capital Expenditures Statement: As defined in Section 2.04(b).

Tax Returns: As defined in Section 3.05.

U.S. Cable: As defined in the Preamble to this Agreement.

1.02 Other Definitional Provisions. Terms defined in the singular shall have a comparable meaning when used in plural, and vice versa.

2. PURCHASE AND SALE.

2.01 Transfer of Assets. At the Closing, upon the terms and conditions set forth in this Agreement, Sellers shall sell, convey, transfer, assign and deliver to Buyer, and Buyer shall purchase, accept and receive, all of Sellers' right, title and interest in and to the Acquired Assets, such transaction to be effective as of 12:01 a.m. on the Closing Date.

2.02 Purchase Price. In consideration for the transfer of the Acquired Assets pursuant to Section 2.01, and the other covenants, agreements, representations and warranties con tained herein, Buyer shall at Closing (i) pay to Sellers a purchase price of three hundred and fifteen million Dollars ($315,000,000) (A) plus, if a positive number, or minus, if a negative number, the Estimated Working Capital Amount to or from Sellers as provided in Section 2.03, less (B) the Subscriber Adjustment, if any, and less (C) the Tangible Capital Expenditures Adjustment, if any, (such price, together with (A), (B) and (C), the "Purchase Price") less the Indemnity Escrow, which shall be deposited by Buyer with the Indemnity Escrow Agent at Closing, by, subject to the following sentence, federal funds wire transfer of immediately available funds to such account at a United States bank as shall be designated by Sellers, and (ii) assume and agree to pay, discharge and perform the Assumed Liabilities as and when due in accordance with the Bill of Sale, General Assignment and Instrument of Assumption of Liabilities attached as Exhibit B hereto. In the event that at Closing there are any Retained Basic Subscribers, Buyer shall at Closing deposit into escrow an irrevocable letter of credit, in substantially the form attached as Exhibit J hereto, in an amount equal to the Retained Franchise Price and shall reduce the amount of any wire transfer required to pay the Purchase Price by the

Retained Franchise Price. A form of escrow agreement (the "Retained Systems Escrow Agreement") with respect to the Retained Franchise Price is attached as Exhibit F hereto. Payment of the net amount provided for in this Section 2.02 shall be made to U.S. Cable, to ECC and to Missouri, L.P., subject to the foregoing adjustments, as U.S. Cable may determine prior to Closing.

2.03 Estimated Working Capital Statements. At least fifteen (15) business days prior to the Closing Date, Sellers shall deliver to Buyer (i) a working capital statement of Sellers' CATV Business as of the Closing Date, which statement shall be prepared in a manner consistent with the preparation of the Financial Statements, except as otherwise provided in this Agreement, and shall set forth the Sellers' good faith estimate of the Current Assets and Current Liabilities of the Sellers' CATV Business as of the Closing Date (the "Estimated Working Capital Statements"), (ii) an estimate of the number of Basic Subscribers to be transferred on the Closing Date (the "Basic Subscriber Estimate") and an estimate of the Subscriber Adjustment, if any, to be made at Closing and (iii) an estimate of Tangible Capital Expenditures made by the Sellers during the period January 1, 1997 through December 31, 1997 (or the Closing Date, if earlier) (the "Tangible Capital Expenditures Estimate") and an estimate of the Tangible Capital Expenditure Adjustment, if any, to be made at Closing. Prior to Closing, the Sellers shall provide Buyer or Buyer's representatives with copies of all books and records as Buyer may reasonably request for purposes of verifying the Estimated Working Capital Statements, the Basic Subscriber Estimate and the Tangible Capital Expenditures Estimate and shall meet at Buyer's reasonable request on reasonable notice with Buyer's accountants and other representatives; provided, however, that if Sellers determine in good faith that providing copies of any books and records requested by Buyer pursuant to this Section 2.03 would be unduly burdensome to Sellers, then Sellers shall make available, on reasonable notice, any such books and records that it has not copied for Buyer, at the offices of the Sellers at One Media Crossways, Woodbury, New York.

2.04 Post Closing Adjustments.

(a)(i) Within ninety (90) days after the Closing Date, the Sellers shall prepare, or cause to be prepared, and deliver to Buyer a working capital statement of Sellers' CATV Business as of the Closing Date, which statement shall be prepared in accordance with GAAP and in a manner consistent with the preparation of the Financial Statements, except as otherwise required by this Agreement, and shall set forth the Current Assets and Current Liabilities of Sellers' CATV Business as of the Closing Date (the "Preliminary Working Capital Statements"). Buyer shall cooperate in providing to Sellers access, on reasonable notice, to all relevant books, records and personnel of the CATV Business in order to facilitate the preparation of the Preliminary Working Capital Statements.

(ii) During the succeeding thirty (30) day period, Buyer shall have the right to examine the Preliminary Working Capital Statements and all records used to prepare the Preliminary Working Capital Statements. Sellers shall provide Buyer or Buyer's representatives with copies of all books and records that Buyer may reasonably request for purposes of Buyer's review of the Preliminary Working Capital Statements; provided, however, that if Sellers determine in good faith that providing copies of any books and records requested by Buyer pursuant to this Section 2.04(a)(ii) would be unduly burdensome to Sellers, then Sellers shall make available, on reasonable notice, any such books and records that it has not copied for Buyer, at the offices of the Sellers at One Media Crossways, Woodbury, New York.

(iii) In the event Buyer determines that the Preliminary Working Capital Statements have not been prepared on the basis set forth in Section 2.04(a)(i) hereof, Buyer shall so inform Sellers in writing (the "Buyer's Working Capital Objection"), setting forth a reasonably specific description of the basis of the Buyer's Working Capital Objection on or before the last day of the thirty (30) day period referred to in Section 2.04(a)(ii) hereof. If Buyer delivers a Buyer's Working Capital Objection, Buyer and Sellers shall attempt to resolve the differences underlying the Buyer's Working Capital Objection within twenty (20) days of Sellers' receipt thereof. If Sellers and Buyer are unable to resolve all their differences within such twenty (20) day period, they shall refer their remaining differences to Ernst & Young LLP, or such other nationally recognized firm of independent public accountants as to which Buyer and Sellers may mutually agree (the "CPA Firm"), who shall, acting as experts and not as arbitrators, determine on the basis of the standard set forth in Section 2.04(a)(i) hereof and only with respect to the remaining differences so submitted, whether and to what extent, if any, the Preliminary Working Capital Statements require adjustment. The CPA Firm will base its determination only on evidence brought to it by the parties and shall not conduct an audit. The CPA Firm shall deliver its written determination to Buyer and Sellers no later than the twentieth (20th) business day after the remaining differences underlying the Buyer's Working Capital Objection are referred to the CPA Firm. The CPA Firm's determination shall be conclusive and binding upon the parties. The fees and disbursements of the CPA Firm shall be allocated between Buyer and Sellers in the same proportion that the aggregate amount of any disputed items submitted to the CPA Firm that are unsuccessfully disputed by each (as finally determined by the CPA Firm) bears to the total amount of any disputed items so submitted. Buyer and Sellers shall make readily available to the CPA Firm all relevant books and records and any work papers relating to the Preliminary Working Capital Statements and all other items reasonably requested by the CPA Firm. A "Final Working Capital Statement" shall be (i) the Preliminary Working Capital Statement in the event that (x) a Buyer's Working Capital Objection is not delivered to the Sellers in the period set forth in Section 2.04(a)(ii) hereof, or (y) the Sellers and Buyer so agree; or (ii) the Preliminary Working Capital Statement as adjusted by either (x) the agreement of the Sellers and Buyer or (y) the CPA Firm.

(iv) On the fifth (5th) business day following the determination of Sellers' Final Working Capital Statement pursuant to Section 2.04(a)(iii), (i) if both the Estimated and Final Working Capital Amounts of Sellers are positive, then (AA) if the Final Working Capital Amount exceeds the Estimated Working Capital Amount, then Buyer shall pay to Sellers an amount equal to such excess; and (BB) if the Estimated Working Capital Amount exceeds the Final Working Capital Amount, then Sellers shall pay to Buyer an amount equal to such excess; (ii) if both the Estimated and Final Working Capital Amounts of Sellers are negative, then (AA) if the absolute value of the Final Working Capital Amount exceeds the absolute value of the Estimated Working Capital Amount, then Sellers shall pay to Buyer an amount equal to such excess; and (BB) if the absolute value of the Estimated Working Capital Amount exceeds the absolute value of the Final Working Capital Amount, then Buyer shall pay to Sellers an amount equal to such excess; (iii) if the Estimated Working Capital Amount is negative and the Final Working Capital Amount is positive, then Buyer shall pay to Sellers an amount equal to the sum of the absolute values thereof; and (iv) if the Estimated Working Capital Amount is positive and the Final Working Capital Amount is negative, then Sellers shall pay to Buyer an amount equal to the sum of the absolute values thereof.

(v) Any amount payable pursuant to Section 2.04(a)(iv) hereof shall be paid by wire transfer of immediately available funds to a bank account designated by Buyer or Sellers, as the case may be.

(b)(i) Within ninety (90) days after the Closing Date, the Sellers shall prepare, or cause to be prepared, and deliver to Buyer a statement setting forth (x) the number of Basic Subscribers as of the Closing Date, which statement shall be prepared in conformity with the definition of Basic Subscriber contained herein (the "Basic Subscriber Statement") and (y) the Tangible Capital Expenditures made by Sellers from January 1, 1997 through December 31, 1997 (or the Closing Date, if earlier) (the "Tangible Capital Expenditures Statement"). Buyer shall cooperate in providing to Sellers access, upon reasonable notice, to all relevant books, records and personnel of the CATV Business in order to facilitate the preparation of the Basic Subscriber Statement.

(ii) During the succeeding thirty (30) day period, Buyer shall have the right to examine the Basic Subscriber Statement and the Tangible Capital Expenditures Statement and all records used to prepare the Basic Subscriber Statement and the Tangible Capital Expenditures Statement. Sellers shall provide Buyer or Buyer's representatives with copies of all books and records that Buyer may reasonably request for purposes of Buyer's review of the Basic Subscriber Statement and Tangible Capital Expenditures Statement; provided, however, that if Sellers determine in good faith that providing copies of any books and records requested by Buyer pursuant to this Section 2.04(b)(ii) would be unduly burdensome to Sellers, then Sellers shall make available, on reasonable notice, any such books and records that it has not copied for Buyer, at the offices of the Sellers at One Media Crossways, Woodbury, New York.

(iii) In the event Buyer determines that (x) the Basic Subscriber Statement has not been prepared on the basis set forth in Section 2.04(b)(i) hereof or (y) that the Tangible Capital Expenditures Statement is incorrect, Buyer shall so inform Sellers in writing (the "Buyer's Objection"), setting forth a reasonably specific description of the basis of the Buyer's Objection on or before the last day of the thirty (30) day period referred to in Section 2.04(b)(ii) hereof. If Buyer delivers a Buyer's Objection, Buyer and Sellers shall attempt to resolve the differences underlying the Buyer's Objection within twenty (20) days of Sellers' receipt thereof. If Sellers and Buyer are unable to resolve all their differences within such twenty (20) day period, they shall refer their remaining differences to the CPA Firm, who shall determine on the basis of the standard set forth in Section 2.04(b)(i) hereof and only with respect to the remaining differences so submitted, whether and to what extent, if any, the Basic Subscriber Statement or the Tangible Capital Expenditures Statement requires adjustment. The CPA Firm will base its determination only on evidence brought to it by the parties and shall not conduct an audit. The CPA Firm shall deliver its written determination to Buyer and Sellers no later than the twentieth (20th) business day after the remaining differences underlying the Buyer's Objection are referred to the CPA Firm. The CPA Firm's determination shall be conclusive and binding upon the parties. The fees and disbursements of the CPA Firm shall be allocated between Buyer and Sellers in the same proportion that the aggregate amount of any disputed Basic Subscribers or the amount of disputed Tangible Capital Expenditures submitted to the CPA Firm that are unsuccessfully disputed by each (as finally determined by the CPA Firm) bears to the total amount of any Basic Subscribers or Tangible Capital Expenditures so submitted. Buyer and Sellers shall make readily available to the CPA Firm all relevant invoices, books and records and any work papers relating to the Basic Subscriber Statement and all other items reasonably requested by the CPA Firm. A "Final Basic Subscriber Statement" and a "Final Tangible Capital Expenditures

Statement" shall in each case be (i) the Basic Subscriber Statement and
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the Tangible Capital Expenditures Statement, respectively, in the event that (x) a Buyer's Objection is not delivered to the Sellers in the period set forth in Section 2.04(b)(ii) hereof, or (y) the Sellers and Buyer so agree; or (ii) the Basic Subscriber Statement and the Tangible Capital Expenditures Statement, respectively, as adjusted by either (x) the agreement of the Sellers and Buyer or (y) the CPA Firm.

(iv) On the fifth (5th) business day following the determination of the Final Basic Subscriber Statement pursuant to Section 2.04(b)(iii), if the number of Basic Subscribers included in the Final Basic Subscriber Statement is less than 265,000 and less than the number of Basic Subscribers included in the Basic Subscriber Estimate, then Sellers shall pay the Buyer an amount equal to $1,189.00 times the difference between the number of Basic Subscribers included in the Basic Subscriber Estimate (but not above 265,000) and the number of Basic Subscribers included in the Final Basic Subscriber Statement. If the number of Basic Subscribers included in the Final Basic Subscriber Statement is more than the number of Basic Subscribers included in the Basic Subscriber Estimate and the number of Basic Subscribers in the Basic Subscriber Estimate was less than 265,000, then on such fifth (5th) business day, Buyer shall pay to Sellers an amount equal to $1,189.00 times the difference between the number of Basic Subscribers included in the Final Basic Subscriber Statement (but not above 265,000) and the number of Basic Subscribers included in the Basic Subscriber Estimate. On the fifth (5th) business day following the determination of the Final Tangible Capital Expenditures Statement pursuant to Section 2.04(b)(iii), if the amount of Tangible Capital Expenditures included in the Final Tangible Capital Expenditures Statement is less than $11,770,000 and less than the amount of Tangible Capital Expenditures included in the Tangible Capital Expenditures Estimate, then Sellers shall pay the Buyer an amount equal to the difference between the amount of Tangible Capital Expenditures included in the Final Tangible Capital Expenditures Statement and the amount of Tangible Capital Expenditures included in the Tangible Capital Expenditures Estimate (but not above $11,770,000). If the amount of Tangible Capital Expenditures included in the Final Tangible Capital

Expenditures Statement is more than the amount of Tangible Capital Expenditures included in the Tangible Capital Expenditures Estimate and the Tangible Capital Expenditure Estimate was less than $11,770,000, then on such fifth (5th) business day, Buyer shall pay to Sellers the difference between the amount of Tangible Capital Expenditures included in the Final Tangible Capital Expenditures Statement (but not above $11,770,000) and the amount of Tangible Capital Expenditures included in the Tangible Capital Expenditures Estimate.

(v) Any amount payable pursuant to Section 2.04(b)(iv) hereof shall be paid by wire transfer of immediately available funds to a bank account designated by Buyer or Sellers, as the case may be.

2.05 Earnest Money Deposit. Concurrently herewith, Buyer has deposited with The Chase Manhattan Bank as escrow agent ("Earnest Money Escrow Agent"), an irrevocable letter of credit in the amount of $15,000,000, in substantially the form attached hereto as Exhibit J, for the Earnest Money Escrow ("Earnest Money Escrow") to be held pursuant to an escrow agreement (the "Earnest Money Escrow Agreement") substantially in the form of Exhibit C hereto. Such letter of credit shall be held and administered under the Earnest Money Escrow as provided in the Earnest Money Escrow Agreement. The Earnest Money Escrow shall be distributed as provided in the Earnest Money Escrow Agreement and Article 12 hereof.

2.06 Sales and Transfer Taxes. All sales and use taxes and transfer taxes, if any, arising from the transfer of the Acquired Assets shall be shared equally between Buyer and Sellers.

2.07 Indemnity Escrow. At the Closing, Buyer shall deposit out of the Purchase Price, the sum equal to $15,000,000 ("Indemnity Escrow") with The Chase Manhattan Bank, as Escrow Agent (the "Indemnity Escrow Agent"), pursuant to the Indemnity Escrow Agreement in the form annexed hereto as Exhibit H, to secure Buyer's rights with respect to claims to indemnification under Section 10.2. On the 366th day following the Closing Date, or, if such date is not a business day in New York, New York, the following business day, any amounts then in the custody of the Escrow Agent under the Indemnity Escrow Agreement less the amount of any claims made by Buyer prior thereto and not resolved in accordance with the terms thereof, shall be released to the Sellers pursuant to their written instructions and in conformity with the Indemnity Escrow Agreement.

2.08 Determination and Allocation of Purchase Price. For federal income and other applicable tax purposes, the Purchase Price shall be allocated among the Acquired Assets as agreed to by the parties prior to the Closing Date. In the event that the parties have not agreed upon an allocation of the Purchase Price prior to Closing, the allocation of the Purchase Price shall be determined by an appraisal to be obtained within 120 days after the Closing Date. The appraiser performing the appraisal shall be expert in the appraisal of cable television systems and shall be mutually selected and engaged by Sellers and Buyer. The parties shall cause the appraiser to consult with Buyer and Sellers during the preparation of such appraisal, and the appraiser shall deliver drafts and the final appraisal to Buyer and Sellers simultaneously. Buyer and Sellers agree to be bound by such allocation and to file all returns and reports in respect of the transactions contemplated herein on the basis of such allocation. The cost of the appraisal shall be borne equally by Buyer, on one hand, and Sellers, on the other hand. Sellers and Buyer agree to prepare and file an IRS Form 8594 in a timely fashion in accordance with the rules under Section 1060 of the Code. To the extent that the Purchase Price is adjusted after the Closing Date, the parties agree to revise and amend IRS Form 8594 in the same manner and according to the same procedure. The determination and allocation of the Purchase Price derived pursuant to this subsection shall be binding on Sellers and Buyer for all tax reporting purposes.

3. REPRESENTATIONS AND WARRANTIES OF SELLERS.

To induce Buyer to enter into this Agreement, Sellers represent and warrant to Buyer as follows:

3.01 Organization and Authority of Sellers. U.S. Cable is a Delaware limited partnership, ECC is a Delaware corporation and Missouri L.P. is a Delaware limited partnership, each duly organized, validly existing and in good standing under the laws of its respective jurisdiction of organization, and each is duly qualified and licensed to do business and is in good standing under the laws of Relevant States in which such Seller does business except where such failures to be so qualified, licensed or in good standing in a jurisdiction, individually or in the aggregate, do not have, has not had and would not reasonably be expected to have, a

Regional Material Adverse Effect or do not or would not materially adversely affect Sellers' ability to perform their obligations hereunder. Sellers have all requisite corporate or limited partnership power and authority to own, lease and use the Acquired Assets as they are currently owned, leased or used and to conduct the CATV Business as it is currently conducted.

3.02 Legal Capacity; Approvals and Consents.

(a) Authority and Binding Effect. Subject to Section 9.02 hereof and the receipt of Consents set forth on Schedule 3.02, each Seller has all requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement and the performance of each Seller's obligations hereunder have been duly and validly authorized by all necessary corporate or limited partnership action on the part of each Seller. This Agreement has been duly executed and delivered by each Seller and is the valid and binding obligation of such Seller enforceable in accordance with its terms, except as such enforceability may be affected by the laws of bankruptcy, insolvency, reorganization and creditors' rights generally and by the availability of equitable remedies.

(b) No Breach or Violation. Subject only to obtaining the Consents set forth on Schedule 3.02, the execution, delivery and performance of this Agreement do not, and will not, contravene the certificate of incorporation or by-laws of ECC or the certificate of limited partnership or the agreement of limited partner ship of U.S. Cable or Missouri (collectively, the "Organizational Documents"), and do not, and will not: (i) conflict with or result in a breach or violation by any Seller of, or (ii) constitute a default (without regard to any requirement of notice, passage of time or elections by any Person) by any Seller under, or (iii) permit or result in the termination, suspension, modification or impairment of, or adversely affect any Seller's ability to perform its obligations under, any CATV Instrument, Law, Judgment, or Contract to which any Seller is a party or by which any Seller, the CATV Business or any of the Acquired Assets is subject or bound or may be affected, or (iv) create or impose, or result in the creation or imposition of, any Encumbrance (other than Permitted Encumbrances) upon any of the Acquired Assets, in each case under clause (i) through (iv) above, except such conflicts, breaches, violations, defaults, terminations, suspensions, modifications or impairments which, individually or in the aggregate, has not had, do not have or would not reasonably be expected to have, a Regional Material Adverse Effect or does not or would not materially adversely affect Sellers' ability to perform their obligations hereunder.

(c) Required Consents. Except for the parties listed in Schedules 3.02 and 4.05, there are no parties whose Consent, or with whom the filing of any certificate, notice, application, report or other document, is legally or contractually required or other wise is necessary in connection with the execution, delivery or performance of this Agreement by Sellers, except where failure to obtain such Consent or approval or failure to make such filing, individually or in the aggregate, has not had, does not have or would not reasonably be expected to have, a Regional Material Adverse Effect or does not or would not materially adversely affect Sellers' ability to perform their obligations hereunder.

3.03 Financial Statements. U.S. Cable has delivered to Buyer true and complete copies of its audited consolidated balance sheets as at December 31, 1996, December 31, 1995, and December 31, 1994 (collectively the "Balance Sheets"); U.S. Cable has delivered to Buyer true and complete audited consolidated statements of income for the years ending December 31, 1996, 1995 and 1994 (collectively the "Income Statements" and, collectively with the Balance Sheets, the "Financial Statements"). U.S. Cable's audited consolidated Financial Statements include in the consolidation the financial position and results of operations of ECC and Missouri L.P. and do not include the financial position and results of operations of any other entity, whether or not a subsidiary of any of Sellers. The Financial Statements were prepared in accordance with GAAP and present fairly in all material respects the consolidated financial position of U.S. Cable as of those dates and the consolidated results of U.S. Cable's operations for the periods then ended. U.S. Cable has also provided to Buyer a consolidated balance sheet and consolidated income statement as of June 30, 1997 (the "Interim Financial Statements"), which Interim Financial Statements were prepared in accordance with GAAP (except for the absence of footnotes) and in accordance with the practices customarily followed by U.S. Cable in preparing its interim statements and, subject to normal year-end adjustments and the procedures followed in interim statements, present fairly in all material respects the consolidated financial position and the consolidated results of operation of U.S. Cable, ECC and Missouri, L.P. (and no other entities) as at the date and for the period indicated and are stated on a basis generally consistent with the above-described Financial Statements.

3.04 Changes in Operation. Since the date of the Interim Financial Statements, there has not been any event or circumstance which, individually or in the aggregate, has had, does have or would reasonably be expected to have, a Regional Material Adverse Effect.

3.05 Tax Returns. Each Seller has, and will have as of the Closing Date, duly filed all federal, state, local and foreign income, information, franchise, sales, use, property, excise and payroll and other tax returns or reports (herein "Tax Returns") required to be filed by such Seller on or prior to the date hereof or which are required to be filed on or prior to the Closing Date and all such Tax Returns were prepared in good faith and are accurate and complete in all material respects. All taxes, fees and assessments that are shown on such Tax Returns as due or payable by each Seller on or before the date hereof or the Closing Date, as the case may be, and that might result in an Encumbrance upon any of the Acquired Assets have been or will be duly paid. Except as set forth in Schedule 3.05, no Seller has received a notice or assessment to the effect that there is any unpaid tax, interest, penalty or addition to tax due or claimed to be due from the Seller in respect of such Tax Returns; no Seller has received a notice of the assertion or threatened assertion of any Encumbrances with respect to any Acquired Assets on account of any unpaid taxes; and no audits of such Tax Returns by any Governmental Authority are pending or, so far as any Seller knows, threatened. Except as set forth in Schedule 3.05, no Seller has outstanding a request for extension of time within which to pay taxes; there has been no waiver or extension by any Seller of any applicable statute of limitations for the collection or assessment of taxes; and each Seller has withheld and paid in a timely manner all payments for withholding taxes, unemployment insurance and other amounts required to be withheld and paid.

3.06 Acquired Assets.

(a) Title; Encumbrances. Each Seller has (i) good title to all of its Equipment, Inventory and other personal property and good and marketable title to all of its Real Property owned in fee, and (ii) the right and authority (subject to the receipt of the Consents specified herein) to transfer to Buyer all of the Seller's right, title and interest in and to the other property or rights included in the Acquired Assets, in each instance in (i) and (ii) above free and clear of any Encumbrances except Permitted Encumbrances, except for any instance in which the failure to have such title, right or authority, individually or in the aggregate with such other instances, has not had, does not have, and would not reasonably be expected to have, a Regional Material Adverse Effect.

(b) Real Property. Schedule 3.06(b) sets forth a list, complete and correct in all material respects, of all Real Property owned, leased, occupied or used by Sellers in connection with the operation of the CATV Business as presently conducted. The Real Property comprises all real property interests necessary to conduct the CATV Business as currently conducted. Except for any instances where the failure to be true of the below items (i) through (ix), individually or in the aggregate, has not had, does not have, or would not reasonably be expected to have, a Regional Material Adverse Effect: (i) except for routine repairs, all of the improvements, leasehold improvements and the premises of the Real Property are in good condition and repair and suitable for the purposes used, (ii) each parcel of Real Property (w) has access to and over public streets, or private streets for which a Seller has a valid right of ingress and egress, (x) conforms in its current use to all zoning requirements without reliance on a variance or a classification of the parcel in question as a nonconforming use, (y) conforms in its use to all restrictive covenants, if any, or other Encumbrances affecting all or part of such parcel, and (z) has access (directly or by easement, right of way, or similar right included in the Acquired Assets) to all utilities and services to the extent necessary for the operation of the current operations of the CATV System with respect to such parcel, (iii) Sellers have all easements, and all leases, fee interests, access agreements, and other rights required by Law for the use of all Real Property used in the CATV Business, including all Real Property over, under, or on which the CATV Business is conducted, (iv) there are not pending or, to the best of Sellers' knowledge, threatened, any condemnation actions, increases in tax assessments or adverse zoning changes, with respect to, in each case, such Real Property or any part thereof, (v) no Seller has received written notice of the desire of any public authority or other entity to take or use any Real Property or any part thereof, (vi) all leases and subleases pursuant to which any of the Real Property is occupied or used are set forth on Schedule 3.06(b) and are valid and binding and in full force and effect, (vii) no Seller has and, to the best of each Seller's knowledge after reasonable inquiry, no other party to any Contract, lease or sublease relating to any Real Property has given or received notice of breach or termination except any which may have been waived or withdrawn, (viii) all easements, rights-of-way and other similar rights which are necessary for each Seller's current use of any Real Property are valid and in full force and effect, and (ix) no Seller has received any notice with respect to the termination or breach of any such easements, rights-of-way or other similar rights except any which may have been waived or withdrawn or which are no longer relevant.

(c) Acquired Assets. The Acquired Assets include all assets owned, used or held for use by the Sellers and that are necessary to conduct the CATV Business as it is presently being conducted except where the failure to own, use or hold such assets, individually or in the aggregate, has not had, does not have or would not reasonably be expected to have, a Regional Material Adverse Effect.

(d) Environmental Matters. Except as disclosed in Schedule 3.06(d): (i) the Acquired Assets and the operation of the CATV Business comply in all material respects with applicable Environmental Laws; (ii) no Seller has received any written notice from any Governmental Authority alleging that, and Sellers have no knowledge, after reasonable inquiry, that, the Acquired Assets and the operation of the CATV Business are in vio lation in any material respect of any applicable Environmental Law; (iii) the Acquired Assets and the operation of the CATV Business are not the subject of any written notice actually received by a Seller, or any Judgment arising under any Environmental Law; and (iv) during the period of the relevant Seller's ownership and, to the best of Sellers' knowledge after reasonable inquiry, prior to the period of the relevant Seller's ownership, the Acquired Assets have not been used for the generation, storage, discharge or disposal of any Hazardous Substances except as permitted by applicable Environmental Laws.

3.07 The CATV Business. With respect to the CATV Business, each Seller makes the following warranties and representations:

(a) Since the date of the Interim Financial Statements, (i) the CATV Business has been operated only in the ordinary course; (ii) there has been no sale, assignment or transfer of any assets or properties related to the CATV Business other than on an arms' length basis in the ordinary course of business; (iii) there has been no amendment or termination of any Contract or CATV Instrument; (iv) there has been no waiver or release of any right or claim of any Seller against any third party; (v) there has been no agreement by any Seller to take any of the actions described in the preceding clauses (i) through (iv), except as contemplated by this Agreement and except for any instances that, individually or in the aggregate, have not had, do not have or would not reasonably be expected to have, a Regional Material Adverse Effect.

(b) Except for such instances where the failure to be true of the below items (i) through (iv), individually or in the aggregate, have not had, does not have, or would not reasonably be expected to have, a Regional Material Adverse Effect and except as set forth in Schedule 3.07(b): (i) each Seller holds all of the franchises, licenses, permits and other CATV Instruments reasonably necessary to enable each of them to operate the CATV Business as presently conducted, (ii) Sellers are in compliance with the terms and conditions of all such CATV Instruments and Contracts, (iii) Sellers have not given or received any notice of any claimed or purported default in, or termination of, any Contracts or CATV Instruments and there are no proceedings pending, or, to the knowledge of Sellers, threatened, to cancel, modify or change any such Contracts or CATV Instruments, and (iv) exclusive of any change in a CATV License subsequent to the date hereof that Buyer has otherwise requested or agreed to, none of the CATV Licenses contain any commitments requiring rebuilds, upgrades, increase in franchise fees payable or local origination commitments.

(c) Except in each case where the failure to be true of any of the below items, individually or in the aggregate, has not had, does not have, or would not reasonably be expected to have, a Regional Material Adverse Effect, the CATV Business is conducted by each Seller in compliance with all applicable Laws and CATV Instruments, including without limitation, the Communications Act of 1934, as amended (the "Communications Act"), and the rules and regulations of the FCC, and, without limiting the generality of the foregoing, except as set forth in Schedule 3.07(c) hereto:

(i) Each of the system areas has been registered with the FCC;

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

(iii) The 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 the filing of all required notifications and the receipt of all necessary authorizations and compliance with the cumulative signal leakage index;

(iv) A valid request for renewal has been duly and timely filed under Section 626 of the Communications Act with the proper Governmental Authority with respect to all franchises to operate the CATV Systems that have expired or will expire within 36 months after the date of this Agreement;

(v) Each Seller has all of the CATV Licenses necessary to operate the CATV Systems as the CATV Business is currently conducted, all of which licenses are listed in Schedule 1.01(a), and Sellers operate the CATV Business in conformance with the terms and conditions of such licenses;

(vi) Each Seller has made all annual filings required to be made with the FCC;

(vii) The carriage of all televison station signals is in compliance with the must-carry and retransmission consent provisions of the Communications Act, as applicable;

(viii) The employment units covered by the Cable Systems and operated by each Seller have been certified by the FCC for compliance with equal opportunity requirements in each of calendar years 1992 through 1996; and

(ix) All necessary FAA approvals have been obtained with respect to the height and location of towers used in connection with the operation of the CATV Business and such towers are being operated in compliance in all material respects with applicable FCC and FAA rules, including antenna structure registrations with the FCC.

(d) Except in each case where the failure to be true of the items (i) through (iv) below, individually or in the aggregate, has not had, does not have or would not reasonably be expected to have, a Regional Material Adverse Effect: (i) each Seller is in compliance with Title 17 of the United States Code, as amended, and the rules and regulations promulgated thereunder (the "Copyright Act") and the rules and regulations of the United States Copyright Office with respect to the operation of the CATV Business, (ii) without limiting the generality of the foregoing, for each relevant semi-annual reporting period, Sellers have timely filed with the United States Copyright Office all required statements of account in true and correct form, and have paid when due all required copyright royalty fee payments in correct amount, relating to the CATV Business' carriage of television broadcast signals, and each Seller is otherwise in compliance with all applicable rules and regulations of the Copyright Office, (iii) Sellers do not possess any patent, patent right, trademark, or copyright and are not parties to any license or royalty agreement with respect to any patent, trademark or copyright, except for licenses respecting program material and obligations under the Copyright Act applicable to cable television systems generally, and (iv) the CATV Business is free of any rightful claim of any third party by way of copyright infringement or the like (except for claims involving music performance rights).

3.08 Labor Contracts and Actions.

(a) Except as set forth in Schedule 3.08(a), no Seller is a party to any Contract with any labor organization, nor has any Seller agreed to recognize any union or other collective bargaining unit, nor has any union or other collective bargaining unit been certified as representing any of the employees of any Seller with respect to the operation of the CATV Business;

(b) Except for such instances where the failure to be true of items (i) through (iii) below, individually or in the aggregate, has not had, does not have or would not reasonably be expected to have, a Regional Material Adverse Effect: (i) each Seller has complied with all Laws relating to the employment of labor, including any provisions thereof relating to wages, hours, collective bargaining and the payment of social security and other taxes, (ii) no Seller is subject to any liability for any arrearages of wages or any taxes or penalties for failure to comply with any of the foregoing, and (iii) Sellers have delivered to Buyer a list of the names, job title, and present annual rates of compensation, including the date of hire of Employees and whether such Employee is full-time or part-time, of all personnel whose work is performed wholly or substantially for the CATV Business, and any employment agreements, commitments, arrangements or understandings, written or oral, affecting such personnel; and

(c) Sellers are not currently experiencing any strikes, work stoppages, significant grievance proceedings or claims of unfair labor practices.

3.09 Employee Benefit Plans.

(a) All "employee benefit plans" within the meaning of Section 3(3) of ERISA covering Employees, other than "multiemployer plans" within the meaning of Section 3(37) of ERISA, and other benefit plans, contracts or arrangements covering Employees (collectively, the "Benefit Plans") are listed on Schedule 3.09. True and complete copies of all Benefit Plans and all amendments thereto have been provided or made available to Buyer. Schedule 3.09 also lists all multiemployer plans covering Employees.

(b) All Benefit Plans, to the extent subject to ERISA, are in compliance with ERISA except where the failure to be in compliance would not, individually or in the aggregate, reasonably be expected to have a Regional Material Adverse Effect, or subject Buyer to any liability with respect thereto after Closing. There is no pending or, to the knowledge of Sellers, threatened litigation relating to the Benefit Plans. Sellers have not engaged in a transaction with respect to any Benefit Plan that, assuming the taxable period of such transaction expired as of the date hereof or as of the Closing Date (as the case may be), would reasonably be expected to subject Sellers to a tax or penalty imposed by either Section 4975 of the Code or Section 502(i) of ERISA.

(c) No liability under Subtitle C or D of Title IV of ERISA has been or is expected to be incurred by Sellers with respect to any ongoing, frozen or terminated "single-employer plan", within the meaning of Section 4001(a)(15) of ERISA, currently or formerly maintained by it, or the single-employer plan of any entity which is considered one employer with either Seller under Section 4001 of ERISA or Section 414 of the Code (an "ERISA Affiliate"). Sellers have not incurred and do not expect to incur any material withdrawal liability with respect to a multiemployer plan under Subtitle E of Title IV of ERISA and in no event shall Buyer have any withdrawal liability or obligation with respect to any multi-employer plan in which Sellers participate. No notice of a "reportable event", within the meaning of Section 4043 of ERISA for which the 30-day reporting requirement has not been waived, has been required to be filed for any Benefit Plan subject to Title IV of ERISA or by any ERISA Affiliate within the 12-month period ending on the date hereof.

(d) Neither any Benefit Plan nor any single-employer plan of an ERISA Affiliate has an "accumulated funding deficiency" (whether or not waived) within the meaning of Section 412 of the Code or Section 302 of ERISA and no ERISA Affiliate has an outstanding funding waiver. Sellers have not provided, nor are they required to provide, security to any Benefit Plan or to any single-employer plan of an ERISA Affiliate pursuant to Section 401(a)(29) of the Code.

3.10 Contracts and CATV Instruments.

(a) Except for such instances where the failure to be true of items (i) through (v) below, individually or in the aggregate, has not had, does not have or would not reasonably be expected to have, a Regional Material Adverse Effect: (i) except as set forth in Schedule 3.10(a), there are no defaults by any Seller under the Contracts or CATV Instruments (nor has any Seller received written notice of a threatened default or notice of default), and to the best of Sellers' knowledge, after reasonable inquiry, there is no default by any other party to a Contract or a CATV Instrument, (ii) each Contract and CATV Instrument, including those that are entered into after the date hereof, is or will be in full force and effect, binding and enforceable in accordance with its terms, and is or will be valid under and in compliance in all respects with all applicable Laws, (iii) each Seller is the authorized legal holder of the CATV Licences applicable to its CATV Business, (iv) no Seller and, to the best of the Sellers' knowledge after reasonable inquiry, no other party to any Contract or CATV Instrument is in default thereunder or has given or received notice of termination, cancellation, dispute or default or, to the best of the Sellers' knowledge after reasonable inquiry, has taken any action inconsistent with the continuance of any Contract or CATV Instrument, and (v) except for the Consents, no approval, application, filing, registration, consent or other action of any Governmental Authority is required to enable the Sellers to take advantage of the rights and privileges intended to be conferred by any Contract or CATV Instrument.

(b) True, correct and complete copies of each Contract and CATV Instrument that Buyer is assuming or acquiring, as the case may be, have been made available to Buyer and its representatives at the Sellers' offices at One Media Crossways, Woodbury, New York, and with respect to those executed after the date hereof, copies will be made available to Buyer promptly following such execution and in any event prior to the Closing Date.

3.11 Legal and Governmental Proceedings and Judgments. Except for such instances where the failure to be true of items (a) and (b) below, individually or in the aggregate, has not had, does not have or would not reasonably be expected to have, a Regional Material Adverse Effect: (a) except as may affect the cable television industry generally in the United States, or as set forth in Schedule 3.11, there is no legal action, or proceeding pending or, to the knowledge of Sellers, threatened against the Sellers, the CATV Business or the Acquired Assets, nor is there any Judgment outstanding against the Sellers or to or by which the Sellers, any of the Acquired Assets or the CATV Business is subject or bound, which (i) results or is reasonably likely to result in any modification, termination, suspension, impairment or reformation of any Contract or CATV Instrument or any right or privilege thereunder, or (ii) adversely affects the ability of Sellers to consummate any of the transactions contemplated hereby, and (b) no Seller is in default or violation, and no event or condition exists which, with notice or lapse of time or both, could become or result in a default or violation, of any Judgment.

3.12 Finders and Brokers. Sellers have employed Waller Capital Corporation and Chase Securities Inc. as their brokers in the sale provided herein and will pay and discharge the claim thereof for commission or expense reimbursement in connection therewith. Sellers have not entered into any other contract, arrangement or understanding with any Person or firm, nor are they aware of any claim or basis for any claim based upon any act or omission of the Sellers or any of their affiliates, which may result in the obligation of Buyer to pay any finder's fees, brokerage or agent's commissions or other like payments in connection with the negotiations leading to this Agreement or the consummation of the transactions contemplated hereby.

3.13 Miscellaneous Assets. Schedule 3.13 contains a list, true and complete in all material respects, of converters and motor vehicles owned or leased by the Sellers. Sellers represent that included in the Acquired Assets are the Sellers' Tandem CLX machine and the teledirect predictive dialers located in Hendersonville, North Carolina. Sellers shall buy out any leases with respect to leased motor vehicles of Sellers prior to Closing. Except as set forth in

Schedule 3.13, the Equipment and Inventory are and will be at Closing in good operating condition and repair and fit for the purpose for which they are being used except where the failure to be in good operating condition or repair or fit for such purpose, individually or in the aggregate with such other failures, has not had, does not have or would not reasonably be expected to have, a Regional Material Adverse Effect.

3.14 Characteristics of the CATV Systems.

(a) To the best of Sellers' knowledge, after reasonable inquiry, Schedule 3.14(a) sets forth accurately and completely in all material respects the following information as of June 30, 1997 (unless otherwise noted in such Schedule):

(i) a listing of each head-end and microwave site and the related channel capacity for each Regional CATV System;

(ii) a statement as to the approximate number of Basic Subscribers included in each Regional CATV System calculated in accordance with Schedule 3.14(a)(ii);

(iii) a listing of the services provided by each Regional CATV System (designating the respective tiers of service) and the rates charged for each level of service offered. Schedule 3.14(a) also lists the stations and signals carried by each such CATV System and the channel position of each such signal and station;

(iv) a listing of the retransmission agreements and must-carry requests required and currently used in the operation of the CATV Business; and

(v) a listing of all Sellers' FCC licenses.

(b) Schedule 3.14(b) sets forth accurately and completely in all material respects with respect to each Regional CATV System the following information as of June 30, 1997 (unless otherwise noted in such Schedule):

(i) the approximate number of homes passed; and

(ii) the approximate number of plant miles (aerial and underground).

(c) Schedule 1.01(a) sets forth accurately and completely in all material respects the cable televison franchises of each Regional CATV System and their respective expiration dates and community unit identification numbers.

3.15 Insurance. Schedule 3.15 is a list, accurate and complete in all material respects, of insurance policies and bonds in full force and effect with respect to the Sellers as of June 30, 1997, and no Seller has received any notice of non-renewal or cancellation of such insurance policies or bonds. Except as any Seller may determine, in the exercise of its business judgment, each Seller will maintain such insurance policies and bonds in full force and effect up to and including the Closing Date.

3.16 Accounts Receivable. The Accounts Receivable on the Closing Date have not been assigned to or for the benefit of any other Person. The Accounts Receivable (to the extent not collected prior to the Closing), other than the Overdue Receivables, arose and will arise from bona fide transactions in the ordinary course of business.

3.17 Overbuilds. Except as set forth in Schedule 3.17, to the best of Sellers' knowledge after reasonable inquiry, no construction programs have been commenced by any municipality or other cable television provider or operator in any area served by the Sellers' CATV Systems.

3.18 Intangible Property. Except as set forth on Schedule 3.18 and except for such instances where the failure to be true of items (a) and (b) below, individually or in the aggregate, has not had, does not have or would not reasonably be expected to have, a Regional Material Adverse Effect, (a) the Sellers own or possess licenses or other rights to use all Intangible Property reasonably necessary to the operation of the CATV Business as presently conducted without any conflict with, or infringement of, the rights of others, and (b) there is no claim pending or, to the best of Sellers' knowledge, threatened with respect to any such Intangible Property.

3.19 Retransmission Agreements. Buyer will not have any obligations under the retransmission agreements applicable to the Sellers' CATV Systems to make any payments or carry additional programming.

3.20 Representation of Cablevision. Cablevision represents and warrants that each Seller is a direct or indirect wholly-owned subsidiary of Cablevision.

3.21 Tangible Capital Expenditures. The Sellers represent that for the period January 1, 1997 through June 30, 1997, they have recorded approximately $4,884,000 for Tangible Capital Expenditures.

4. REPRESENTATIONS AND WARRANTIES OF BUYER.

To induce Sellers to enter into this Agreement, Buyer represents and warrants to the Sellers as follows:

4.01 Organization and Authority of Buyer. Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, with all requisite power and authority to conduct its business and operations as presently conducted.

4.02 Legal Capacity; Approvals and Consents.

(a) Authority and Binding Effect. The execution and delivery of this Agreement and the performance of Buyer's obligations hereunder have been duly and validly authorized by all requisite limited liability company action on the part of Buyer. Subject to Section 9.02 hereof and the receipt of Consents set forth on Schedule 4.05, Buyer has all requisite power and authority to execute and deliver this Agreement and to perform it obligations hereunder. This Agreement has been duly executed and delivered by Buyer and is the valid and binding obligation of Buyer enforceable in accordance with its terms, except as such enforceability may be affected by laws of bankruptcy, insolvency, reorganization and creditors' rights generally and by the availability of equitable remedies.

(b) No Breach or Violation. Subject only to obtaining the Consents set forth in Schedule 4.05, the execution, delivery and performance of this Agreement do not, and will not, contravene the articles of organization or the operating agreement of Buyer, and do not and will not: (i) conflict with or result in a breach or violation by Buyer of, or (ii) constitute a default by Buyer under, any Law, Judgment, contract, arrangement or understanding to which Buyer is a party or by which Buyer is subject or bound or may be affected except for any instances under (i) or (ii) which, individually or in the aggregate, have not, do not and would not reasonably be expected to materially adversely affect Buyer's ability to perform its obligations hereunder.

4.03 Legal and Governmental Proceedings and Judgments. Except as may affect the cable television industry generally, there is no legal action, proceeding or investigation pending or, to the knowledge of Buyer, threatened against Buyer, nor is there any Judgment outstanding against Buyer or to or by which Buyer is subject or bound which materially adversely affects the ability of Buyer to consummate any of the transactions contemplated hereby.

4.04 Finders and Brokers. Buyer has not entered into any contract, arrangement or understanding with any Person, and is not aware of any claim or basis for any claim based upon any act or omission of Buyer or any of its affiliates, which may result in the obligation of Sellers to pay any finder's fees, brokerage or agent's commissions or other like payments in connection with the negotiations leading to this Agreement or the consummation of the transactions contemplated hereby.

4.05 Buyer Consents. Except for the parties listed in Schedules 3.02 and 4.05, there are no parties whose approval or Consent, or with whom the filing of any certificate notice, application, report or other document, is legally or contractually required or otherwise is necessary in connection with the execution, delivery or performance of this Agreement by the Buyer, except where failure to obtain such Consent or approval or failure to make such filing has not had, does not have and would not reasonably be expected to have a material adverse effect on Buyer's ability to perform its obligations hereunder.

4.06 Acquisition of Rights. As of the date hereof, Buyer has no actual knowledge of any reason relating to Buyer that any Governmental Authority or other party whose consent is required or contemplated hereunder, would refuse to consent to the transfer of CATV Instruments or any rights to Buyer hereunder or would condition granting of any such consent on the performance by Sellers or Buyer of any material obligation not expressly set forth herein.

4.07 Financing Commitment Letter. There has heretofore been delivered to Cablevision a commitment letter of The Chase Manhattan Bank and Chase Securities Inc., dated August 18, 1997 (the "Financing Commitment Letter"), relating to the financing of the transaction contemplated hereby. As of the date hereof, the Financing Commitment Letter is in full force and effect.

5. COVENANTS.

5.01 Business of Sellers. From the date hereof to the Closing Date, and except as otherwise consented to or approved by Buyer in writing (which consent shall not be unreasonably withheld), each Seller covenants and agrees as follows:

(a) Business in Ordinary Course. Except as otherwise provided herein, Sellers shall conduct the CATV Business in the ordinary course, consistent with past practices. Sellers shall use reasonable commercial efforts to preserve the CATV Business intact, to retain the services of their Employees (including, in the sole discretion of the Sellers, the payment of bonuses or other incentives to retain such Employees) and agents, and to preserve their business relationships with, and the goodwill of, their customers, suppliers and others. Each Seller shall pay before delinquent all taxes and other charges upon or against such Seller or any of its properties or income, file when due all tax returns and other reports required by Governmental Authorities and pay when due all liabilities except those which it chooses to contest in good faith and by appropriate proceedings.

(b) Books and Records. Each Seller shall maintain its books, accounts and records in the usual, regular and ordinary manner.

(c) Litigation During Interim Period. Sellers will advise Buyer in writing promptly of the assertion, commencement or threat of any material claim, litigation, labor dispute, proceeding or investigation in which a Seller is a party or the Acquired Assets or CATV Business may be affected.

(d) Material Contracts and Material CATV Instruments. Sellers shall deliver to Buyer copies of all Material Contracts and Material CATV Instruments that are entered into after the date hereof and prior to the Closing.

(e) Maintenance of Acquired Assets. Sellers shall (i) maintain the Acquired Assets, including the plant and Equipment and Inventory related thereto, in good operating condition, except where the failure to so maintain would not reasonably be expected to have, individually or in the aggregate, a Regional Material Adverse Effect and (ii) in the event the Closing has not taken place prior to January 1, 1998, implement capital expenditures during 1998 up to and including the Closing Date, designed to maintain its physical plant and assets in the ordinary course of business consistent with past practices;

(f) Disconnection. Sellers shall continue in all material respects their policies for disconnection and discontinuance of service to Basic Subscribers whose accounts are delinquent in accordance with those policies in effect on the date of this Agreement.

(g) Disposal of Acquired Assets. Sellers shall not sell, transfer or assign any Acquired Assets other than in the ordinary course of business consistent with past practices.

(h) New Contracts. Sellers, without consent of Buyer, shall not enter into any contract or commitment not on an arm's-length basis for the acquisition of goods or services relating to the CATV System or the CATV Business, exclusive of contracts or commitments with respect to capital expenditures, the performance of which will not be completed by the Closing Date and which involve an annual expenditure in excess of $50,000; provided, however, that if such contract or commitment is being entered into in the ordinary course of the CATV Business, then Buyer shall not unreasonably withhold consent.

(i) Increased Compensation. Subject to Section 5.01(a), Sellers shall not increase in any material respect the compensation or benefits available to Employees of Sellers who work in the CATV Business except as required pursuant to existing written agreements or except in the ordinary course of business consistent with past practice.

(j) Accounts Receivable Write-Offs. Sellers shall report and write off accounts receivable in accordance with past practices.

(k) Amendments. Sellers shall not permit the amendment or cancellation of any Contract or CATV Instrument (other than those constituting Excluded Assets) which would, individually or in the aggregate, reasonably be expected to have a Regional Material Adverse Effect.

(l) Inventories. Sellers shall maintain Invento ries at normal levels consistent with past practice.

(m) Marketing Programs. Sellers agree not to implement any new marketing program, policy or practice, or implement any rate change, retiering or repackaging (i) outside the ordinary course of business consistent with past practices or (ii) designed to temporarily increase the number of Basic Subscribers.

(n) Employee Bonuses and Commissions. Within thirty (30) days of the date of this Agreement, Sellers will provide Buyer with a schedule, true and accurate in all material respects, listing, for each Employee who earned annual compensation in excess of $40,000 during 1996, such Employee's total compensation during 1996 (including salary, bonus and other compensation).

(o) Material Contracts and Material CATV Instruments. Within thirty (30) days of the date of this Agreement, Sellers shall provide Buyer with a list of all Material Contracts and Material CATV Instruments that Buyer is assuming or acquiring, as the case may be.

5.02 Access to Information.

(a) Access by Buyer. Between the date of this Agreement and the Closing, Buyer shall have reasonable access upon reasonable notice during normal business hours to (i) all of the properties, books, reports, records, CATV Instruments and Contracts of Sellers, and Sellers shall furnish Buyer with all information it may reasonably request (ii) executive officers of Cablevision in connection with matters relating to or arising out of this Agreement and (iii) general managers of each Regional CATV System, provided that reasonable advance notice is given to an executive officer of Cablevision. All information obtained by Buyer pursuant to this Agreement and in connection with the negotiation hereof shall be used by Buyer solely for purposes related to this Agreement and the acquisition of the Acquired Assets and, in the case of non-public information, shall, except as may be required for the performance of this Agreement or by Law, or as may be required to secure the financing contemplated by the Financing Commitment Letter (or any Replacement Commitment Letter), or any other financing needed to consummate the transactions contemplated hereby be kept in strict confidence by Buyer.

(b) Access by Sellers. Subsequent to the Closing, Buyer shall preserve and give to Sellers reasonable access upon reasonable notice during normal business hours to all of the books, reports, records, CATV Instruments and Contracts from files and records transferred to Buyer at the time of Closing, for the purposes of the preparation of tax returns, the defense of any claims asserted or which may be asserted with respect to which a Seller is the Indemnitor as contemplated by this Agreement, or other proper purposes.

5.03 Notification of Certain Matters. Each party will promptly notify each other party of any fact, event, circumstance or action the existence or occurrence of which would cause any of such party's representations or warranties under this Agreement not to be true and correct in any material respect.

5.04 Forms 394. If required, promptly after the date of this Agreement, the Sellers and Buyer shall, at their own expense, prepare and file properly prepared Applications for Franchise Authority Consent to Assignment or Transfer of Control or Cable Television Franchise FCC 394 with the local Government Authorities that have issued franchises to the Sellers, and shall file all additional information required by such franchises or applicable local Laws or that the Governmental Authorities deem necessary or appropriate in connection with their consideration of the request of the Sellers or Buyer that such authority approve of the transfer of the franchises included in the CATV Systems to Buyer.

5.05 Monthly Financial Statements. Between the date of execution and delivery of this Agreement and the Closing Date, U.S. Cable shall deliver to Buyer within thirty-five (35) days after the end of each calendar month, unaudited consolidated financial reports in the form customarily prepared by U.S. Cable (which shall include in the consolidation ECC and Missouri, L.P.) with respect to the CATV Business and other reports with respect to the CATV Business (including, without limitation, capital expenditures to the CATV Business, reports setting forth the revenue and cash flow of the CATV Business for each month and year-to-date, subscriber information for basic subscribers and premium service units, disconnect requests, and such other information as Buyer may reasonably request which is in the form customarily prepared by U.S. Cable, beginning as soon as practicable after the date of this Agreement). Such financial statements and monthly operating statements shall present fairly and accurately in all material respects the consolidated financial condition and results of operations of U.S. Cable, ECC and Missouri, L.P., and the CATV Business for the period then ended and as of such dates and be prepared in accordance with GAAP consistently applied through the periods specified subject to normal year end adjustments.

5.06 Covenant Not to Compete. The term "Covenantors" as used in this Section 5.06 shall be defined to mean each Seller and Cablevision Systems Corporation.

(a) Each Covenantor, covenants and agrees that for a period of three years after Closing (or such period as allowed by law if less than three years), no Covenantor nor any corporation, firm or other entity controlled by such Covenantor (alone or in combination with any other Covenantor) will acquire, manage, operate or control, any cable television system, multichannel multipoint distribution system ("MMDS"), satellite master antenna system ("SMATV") or local multipoint distribution system ("LMDS") within the System Areas. Notwithstanding anything contained herein, the ownership of securities of any company which is "publicly held" and which do not constitute more than five percent (5%) of the voting rights or equity interests of such entity shall not constitute a violation of this covenant.

(b) Each Covenantor agrees that in the event that any Covenantor commits a breach or threatens to commit a breach of any of the provisions of this Section 5.06 as a result of actions by such Covenantor or any corporation, firm or other entity controlled by such Covenantor, Buyer shall have the right and remedy to have the provisions of this Section 5.06 specifically enforced by any court having jurisdiction, it being acknowledged and agreed that any such breach could cause immediate irreparable injury to Buyer and that money damages would not provide an adequate remedy at law for any such breach or threatened breach. Such right and remedy shall be in addition to, and not in lieu of, any other rights and remedies including damages available to Buyer at law or in equity.

(c) If any of the provisions of, or covenants contained in, this Section 5.06 are hereafter construed to be wholly or to any extent invalid or unenforceable in any jurisdiction, the same shall be deemed automatically modified to the minimum extent necessary to make such provision or covenant enforceable, and the same shall not affect the remainder of the provisions to the extent not invalid or unenforceable in such jurisdiction or the enforceability thereof without limitation in any other jurisdiction.

5.07 No Solicitation. Between the date of this Agreement and the Closing Date, Sellers shall not, and shall cause their partners, officers, directors, employees, agents and representatives not to, initiate, solicit or encourage, directly or indirectly, any inquiries or the making of any proposal with respect to the CATV Business, engage in any negotiations concerning, or provide to any other Person any information or data relating to the CATV Business, the CATV Systems, the Acquired Assets, or Sellers for the purposes of, or have any discussions with any Person relating to, or otherwise cooperate in any way with or assist or participate in, facilitate or encourage, any inquiries or the making of any proposal which constitutes, or may reasonably be expected to lead to, any effort or attempt by any other Person to seek or effect a sale of all or substantially all of the Sellers, the Acquired Assets, the CATV Systems or the CATV Business.

5.08 Status of Financing Commitment Letter. Buyer shall give prompt notice to Sellers if the Financing Commitment Letter is withdrawn or materially modified and if a Replacement Commitment Letter is executed or withdrawn or materially modified.

6. DELIVERIES AT CLOSING.

6.01 Deliveries by Sellers. At the Closing, Sellers will deliver or cause to be delivered to Buyer:

(a) Such deeds (consisting of special warranty deeds unless Sellers received a lesser deed in connection with their acquisition of such property, then a quitclaim deed or such other form of deed as Sellers determine is appropriate based on advice of their counsel), certificates or title policies, bills of sale, endorsements, and other good and sufficient instruments of conveyance, transfer and assignment as are necessary to vest in Buyer the right, title and interest of Sellers in accordance herewith in and to the Acquired Assets in a form reasonably satisfactory to Buyer.

(b) For each Seller, a certificate signed by a principal officer, dated as of the Closing, representing and certifying to Buyer as to the matters set forth in Sections 7.02, 7.03, 7.04 and 7.05.

(c) A Bill of Sale, General Assignment and Instrument of Assumption of Liabilities in substantially the form of Exhibit B hereto.

(d) An opinion of Sellers' Counsel, substantially in the form of Exhibit D hereto.

(e) An opinion of Sellers' FCC Counsel substantially in the form of Exhibit I hereto.

(f) Evidence that the waiting period under the HSR Act and Rules, if applicable, has expired.

(g) Evidence in a form and substance reasonably satisfactory to Buyer of receipt of the Required Consents and approvals listed on Schedule 3.02 as required as conditions to the transactions contemplated hereunder have been obtained.

(h) The Indemnity Escrow Agreement, in substantially the form attached hereto as Exhibit H, executed by Sellers.

(i) If applicable, the Retained Systems Escrow Agreement, in substantially the form attached hereto as Exhibit F, executed by the applicable Sellers.

(j) If applicable, the Management Agreement, in substantially the form attached hereto as Exhibit G, executed by the applicable Sellers.

6.02 Deliveries by Buyer. At the Closing, Buyer will deliver or cause to be delivered to Sellers:

(a) The Purchase Price as provided in Section 2.02 less the Indemnity Escrow which shall be delivered to the Indemnity Escrow Agent as provided in Section 2.02.

(b) A Bill of Sale, General Assignment and Instrument of Assumption of Liabilities in the form of Exhibit B hereto.

(c) A certificate signed by a member or manager of Buyer dated as of the Closing, representing and certifying to Sellers as to matters set forth in Sections 8.02, 8.03, 8.04 and 8.05.

(d) An opinion of Buyer's Counsel, substantially in the form of Exhibit E hereto.

(e) Evidence in a form and substance reasonably satisfactory to Sellers that the Required Consents listed on Schedule 4.05 have been obtained.

(f) Evidence that the waiting period under the HSR Act and Rules, if applicable, has expired.

(g) The Indemnity Escrow Agreement, in substantially the form attached hereto as Exhibit H, executed by Buyer.

(h) If applicable, the Retained Systems Escrow Agreement, in substantially the form attached hereto as Exhibit F, executed by Buyer.

(i) If applicable, the Management Agreement, in substantially the form attached hereto as Exhibit G, executed by Buyer.

7. CONDITIONS TO THE OBLIGATIONS OF BUYER.

The obligations of Buyer to complete the transactions provided for herein are subject to the fulfillment, of all of the following conditions any of which may be waived in writing by Buyer:

7.01 Receipt of Consents. The conditions specified in Section 9.02 shall have been satisfied and the Required Consents described in Schedules 3.02 and 4.05, shall have been obtained and be in full force and effect. Notwithstanding the foregoing, to the extent that approvals and consents of Governmental Authorities have been obtained such that the number of Retained Basic Subscribers does not in the aggregate exceed ten percent (10%) of the Basic Subscribers, this closing condition shall have been fulfilled insofar as the consents and approvals of franchising authorities are concerned; provided, however, that upon completion of the Closing, the provisions of Section 9.06 hereof with regard to Retained Basic Subscribers shall apply.

7.02 Sellers' Authority. All actions under the documents governing the Sellers that are necessary to authorize (i) the execution and delivery of this Agreement by Sellers and the performance by each Seller of its obligations under this Agreement and (ii) the consummation of the transactions contemplated hereby, shall have been duly and validly taken by Sellers and shall be in full force and effect on the Closing Date.

7.03 Performance by Sellers. Each Seller shall have performed all of its agreements and covenants hereunder (including, without limitation, its covenants in Articles 5, 6 and 9) to the extent such are required to be performed at or prior to the Closing except (and other than with respect to covenants and agreements set forth in Section 6.01) where the failure to perform, individually or in the aggregate, as has not had, do not have or would not reasonably be expected to have, a CATV Business Material Adverse Effect or which does not have a material adverse affect on the ability of Sellers to consummate the transactions contemplated hereby.

7.04 Absence of Breach of Warranties and Representa tions. The representations and warranties of Sellers con tained in this Agreement shall be true and correct on and as of the Closing Date with the same force and effect as if made on and as of such date, except (i) to the extent that such representations and warranties describe a condition on a specified time or date or are affected by the conclusion of the transactions permitted or contemplated hereby or the conduct of the CATV Business in accordance with Article 5 hereof between the date hereof and the Closing Date, or (ii) where the failure of such representations and warranties to be true and correct, individually or in the aggregate, does not have, has not had and would not reasonably be expected to have, a CATV Business Material Adverse Effect.

7.05 Absence of Proceedings. No Judgment shall have been issued enjoining or preventing the consummation of the transactions contemplated hereby.

7.06 Financing Withdrawal. (a) Since the date of this Agreement, there shall not have occurred a material adverse deterioration in the debt securities market for corporate issuers generally or in the debt securities market for the syndication of bank loans to corporate borrowers generally as a result of which The Chase Manhattan Bank or Chase Securities Inc. has exercised its rights under clause (iii) of the fourth paragraph of the Financing Commitment Letter not to provide the financing provided for therein as a result of such material adverse deterioration; provided, that if a Replacement Commitment Letter is obtained, then the condition set forth in this Section 7.06(a) shall be deemed satisfied unless such financing is no longer available to Buyer because the bank or banks or investment bank or investment banks party thereto, as a result of a material adverse deterioration in the debt securities market for corporate issuers generally or in the market for the syndication of bank loans to corporate borrowers generally occurring, in each case, after such Replacement Commitment Letter is executed by such bank or banks or investment bank or investment banks, exercises its or their rights under such Replacement Commitment Letter, not to provide the financing provided for therein as a result of such material adverse deterioration.

(b) Since the date of this Agreement, there shall not have occurred a CATV Business Material Adverse Effect as a result of which The Chase Manhattan Bank or Chase Securities Inc. has exercised their rights under clause (ii) of the fourth paragraph of the Financing Commitment Letter not to provide the financing provided for therein as a result of a CATV Business Material Adverse Effect; provided, that if a Replacement Commitment Letter is obtained, then the condition set forth in this Section 7.06(b) shall be deemed satisfied unless such financing is no longer available to Buyer because the bank or banks or investment bank or investment banks party thereto, as a result of a CATV Business Material Adverse Effect occurring after such Replacement Commitment Letter is executed by such bank or banks or investment bank or investment banks, exercises its or their rights under such Replacement Commitment Letter not to provide the financing provided for therein as a result of such CATV Business Material Adverse Effect.

7.07 Limitation on Retained Basic Subscribers. As of the Closing Date, there shall not be in the aggregate in excess of 10% of the Sellers' Basic Subscribers (i) in franchises with respect to which consent to transfer to the Buyer has not been obtained, (ii) in franchises that are expired as of the Closing Date, or which were expired as of the date of this Agreement but were renewed prior to the Closing Date for less than a period of time as agreed to by Buyer and Sellers, and (iii) in franchises due to expire prior to the date that is three (3) years after the Closing and with respect to which Sellers did not timely make a Section 626 Request with the proper Governmental Authority and which have not been extended or renewed prior to Closing for at least such period of time as agreed to by Buyer and Sellers. Each Basic Subscriber referred to in (i), (ii) or (iii) of this Section 7.07 is referred to as a "Retained Basic Subscriber".

8. CONDITIONS TO THE OBLIGATIONS OF SELLERS.

The obligations of Sellers to complete the transactions provided for herein are subject to the fulfillment of all of the following conditions, any of which may be waived in writing by Sellers.

8.01 Receipt of Consents. The conditions specified in Section 9.02 shall have been satisfied, and the Required Consents described in Schedule 3.02 shall have been obtained and shall be in full force and effect and the approvals and consents of Governmental Authorities shall have been obtained such that the aggregate number of Retained Basic Subscribers does not exceed ten percent (10%) of the Basic Subscribers.

8.02 Buyer's Authority. All member or manager and other actions necessary to authorize (i) the execution, delivery and performance by Buyer of this Agreement, and (ii) the consummation of the transactions contemplated hereby, shall have been duly and validly taken by Buyer and shall be in full force and effect on the Closing Date.

8.03 Performance by Buyer. Buyer shall have performed in all material respects all covenants (including, without limitation, its covenants and agreements set forth in Article 5, 6, or 9) and agreements to be performed by it hereunder to the extent such are required to be performed at or prior to the Closing except (and other than with respect to covenants and agreements set forth in Section 6.02) where the failure to perform does not have a material adverse effect on the ability of Buyer and Sellers to consummate the transactions contemplated hereby.

8.04 Absence of Breach of Representations and Warranties. All representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if then made, except to the extent that such representations and warranties describe a condition on a specified time or date or are affected by the conclusion of the transactions permitted or contemplated hereby or the conduct of the CATV Business in accordance with Article 5 hereof between the date hereof and the Closing Date.

8.05 Absence of Proceedings. No Judgment shall have been issued enjoining or preventing the consummation of the transactions contemplated hereby.

9. COVENANTS.

9.01 Compliance with Conditions. Each of the parties hereto covenants and agrees with the other to exercise reasonable commercial efforts to perform, comply with and otherwise satisfy each and every one of the conditions to be satisfied by such party hereunder and each party shall use reasonable commercial efforts to notify promptly the other if it shall learn that any conditions to performance of either party will not be fulfilled.

9.02 Compliance with HSR Act and Rules.

(a) The performance of the obligations of all parties under this Agreement is subject to the condition that, if the HSR Act and Rules are applicable to the transactions contemplated hereby, the waiting period specified therein, as the same may be extended, shall have expired without action taken to prevent the consummation of the transactions contemplated hereby.

(b) Each of the parties hereto will use its reasonable commercial efforts to comply promptly with any applicable requirements under the HSR Act and Rules relating to filing and furnishing of information to the FTC and the Antitrust Division of the DOJ, the parties' actions to include, without limitation, (i) filing or causing to be filed the HSR Report required to be filed by them, or by any other Person that is part of the same "person" (as defined in the HSR Act and Rules) or any of them, and taking all other action required by the HSR Act or Rules; (ii) coordinating the filing of such HSR Reports (and exchanging drafts thereof) so as to present both HSR Reports to the FTC and the DOJ at the time selected by the mutual agreement of Sellers and Buyer, and to avoid substantial errors or inconsistencies between the two in the description of the transaction; and (iii) using their reasonable commercial efforts to comply with any additional request for documents or information made by the FTC or the DOJ or by a court and assisting the other parties to so comply.

(c) Notwithstanding anything herein to the contrary, in the event that the consummation of the transactions contemplated hereby is challenged by the FTC or the DOJ or any agency or instrumentality of the Federal Government by an action to stay or enjoin such consummation, then Buyer and Sellers (each, a "Side") shall cooperate with each other, as reasonably requested, but not beyond the Outside Date, to contest such action until such Side does not reasonably believe that there are reasonable grounds to contest such action, at which time such Side shall have the right to terminate this Agreement unless the other of such Sides, at its sole cost and expense, elects to contest such action, in which case the noncontesting Side shall cooperate with the contesting Side and assist the contesting Side, as reasonably requested, to contest such action until such time as any party terminates this Agreement under this Section or Article 12. In the event that such a stay or injunction is granted (preliminary or otherwise), then either Buyer or Sellers may terminate this Agreement by prompt written notice to the other(s). If any other form of equitable relief affecting any party is granted to the FTC, the DOJ or other such agency or instrumentality, then such party may terminate this Agreement by prompt written notice to the other parties. Upon any termination pursuant to this Section 9.02(c) other than as a result of a breach of this Agreement, no party shall have any further obligation or liability to the other parties under this Agreement. To effectuate the intent of the foregoing provisions of this Section 9.02, the parties agree to exchange requested or required information in making the filings and in complying as above provided, and the parties agree to take all necessary steps to preserve the confidentiality of the information set forth in any filings including, without limitation, limiting disclosure of exchanged information to counsel for the nondisclosing party or parties.

9.03 Applications for Consent to Transfer the Acquired Assets. (a) Subject to Section 5.04 and Section 9.02, in order to secure requisite Consents to the transfer to Buyer of the Acquired Assets, Buyer with respect to the Consents listed on Schedule 4.05 and Sellers with respect to the Consents listed in Schedule 3.02, shall proceed as promptly as practicable and in good faith and using reasonable commercial efforts, to prepare, file and prosecute such application or applications as may be necessary to obtain each such consent or approval. Buyer and Sellers shall use reasonable commercial efforts to promptly assist each other and shall take such prompt and affirmative actions as may be reasonably necessary in obtaining such Consents required to be obtained hereunder and shall cooperate with each other in the preparation, filing and prosecution of such applications as may be reasonably necessary, and agree to furnish all information required by the approving entity, and to be represented at such meetings or hearings as may be scheduled to consider such applications. Buyer agrees to negotiate in good faith with any applicable Governmental Authority with respect to any reasonable request made by such Governmental Authority in connection with obtaining any Consents, renewals or extensions. Without limiting in any respect the foregoing, each party agrees to file applications acceptable to all parties with all appropriate Governmental Authorities for all consents or approvals required to consummate the transactions hereunder within forty-five (45) days after the date of this Agreement.

(b) Buyer agrees that, except as provided in the following sentence, it will not, without the prior written consent of Sellers, take any action to amend or that would amend or modify any application filed as provided in this Section 9.03 after the date that such application is accepted as complete. Buyer and Sellers agree that Buyer may amend or modify one time any such application or applications previously filed without the consent of Sellers so long as such amendments or modifications are required by applicable Law; *provided*, that if, as a result of such amendments or modifications, the conditions precedent to Closing cannot be satisfied by the Outside Date, then Buyer and Sellers agree that the Outside Date shall automatically be extended to the first date on which the approval period with respect to such amendments or modifications shall have expired, but in no event beyond twelve months from the date of this Agreement. In the event that Buyer breaches the provisions of this Section 9.03(b) and as a direct result thereof the conditions precedent to Closing cannot be satisfied by the Outside Date, as extended, then Sellers may (if they so elect) (i) extend the Outside Date in Section 12.01 to a date that will give effect to any resulting delay; or (ii) terminate this Agreement under Section 12.02 hereof.

9.04 *Records, Taxes and Related Matters.* Sellers and Buyer shall each make their respective books and records (including work papers in the possession of their respective accountants) available for inspection by the other party, or by its duly authorized representatives, for reasonable business purposes at all reasonable times during normal business hours, on reasonable notice, for a seven (7) year period after the Closing Date with respect to all transactions of the CATV Business occurring prior to or relating to the Closing, and the historical financial condition, assets, liabilities, results of operation and cash flows of the CATV Business for any period prior to the Closing. In the case of records owned by Sellers, such records shall be made available at Sellers' executive office, and in the case of records owned by Buyer, such records shall be made available at the office at which such records are maintained. As used in this Section 9.04, the right of inspection includes the right to make copies for reasonable business purposes. In all cases where Buyer, pursuant to the terms hereof, has assumed Sellers' liability for the payment of taxes (including, without limitation, deposits), Buyer shall (unless and to the extent otherwise requested by Sellers) prepare and file all returns, reports, information statements, forms or other documents required to be filed with respect to such taxes, all in a timely and proper fashion and as may be reasonably necessary or appropriate to assure that Sellers shall be in material compliance with law, and Buyer shall pay or cause to be paid all such taxes when due.

9.05 Non-Assignment. Notwithstanding any provision to the contrary contained herein (but not in limitation of Sellers' obligations under Section 9.03 or the conditions set forth in Section 7.01), Sellers shall not be obligated to assign to Buyer any Contract or CATV Instrument which provides that it may not be assigned without the consent of the other party thereto and for which such consent is not obtained, but in any such event, Sellers shall, to the extent reasonably necessary, cooperate with Buyer in any commercially reasonable arrangement designed to provide the benefits thereof to Buyer. Without limiting the generality of any provision elsewhere herein contained, the non-assignment of any of the foregoing shall not, to the extent that it is otherwise an Assumed Liability hereunder, alter its status as such or relieve Buyer of its obligations or liabilities with respect thereto so long as and only to the extent Buyer obtains the benefit of the Acquired Asset relating to such Assumed Liability.

9.06 Retained Franchises. After satisfaction or waiver of the conditions precedent to Buyer's obligation to close as set forth in Section 7.01, those CATV Licenses (and all assets related thereto) that pertain to Retained Basic Subscribers (the "Retained Franchises") shall be retained by the Seller which holds the Retained Franchises and subsequently transferred to the Buyer or otherwise disposed of in accordance with the terms hereof.

(a) Concurrent with the Closing hereunder, the applicable Seller and the Buyer shall enter into a management agreement with respect to each of the Retained Franchises in the form of the management agreement attached as Exhibit G hereto (the "Management Agreement").

(b) Sellers and Buyer shall continue to cooperate in attempting to secure renewal or extension of, or approval of the transfer of, as the case may be, each Retained Franchise, in accordance with the provisions of Section 9.03 hereof and where a renewal application is pending at Closing, renewals of the Retained Franchise.

(c) The Retained Franchises shall be managed in accordance with the Management Agreement referred to in clause (a) above and the Retained Franchise Price shall be released to Buyer or Sellers, as the case may be, in accordance with the terms of the Retained Systems Escrow Agreement.

9.07 Use of Names and Logos. For a period of one hundred and twenty (120) days after the Closing Date, Buyer shall be entitled to use trademarks, trade names, service marks, service names, logos, and similar proprietary rights of Sellers to the extent incorporated in the Acquired Assets transferred to it at Closing; provided that Buyer shall use commercially reasonable efforts to remove all names, marks, logos and other rights of Seller from the Acquired Assets as soon as reasonably practicable after Closing.

9.08 Audited Financial Statements. Sellers shall deliver to Buyer audited consolidated financial statements for U.S. Cable and its consolidated subsidiaries as of and for the year ended December 31, 1997 within ninety (90) days of December 31, 1997.

10. SURVIVAL OF REPRESENTATIONS, WARRANTIES, COVENANTS AND OTHER AGREEMENTS; INDEMNIFICATION.

10.01 Survival of Representations, Warranties, Covenants and Other Agreements. All representations, warranties, covenants and other agreements made by the parties to this Agreement (other than representations and warranties set forth in (i) Section 3.06(d) which shall survive the Closing for a period of two (2) years and (ii) Section 3.05, Section 3.06(a) or relating to claims by third parties with respect to Excluded Liabilities which shall each survive the Closing for the period ending 60 days after the expiration of the relevant statute of limitations applicable to such claims) shall survive the Closing for a period of one year, and shall thereafter terminate.

10.02 Indemnification by Sellers.

(a) Indemnity. Subject to Section 10.01 and Section 10.05, Sellers agree to indemnify, defend and hold harmless Buyer, its affiliates and their respective shareholders, directors, officers, partners, employees, agents, successors and assigns (a "Seller Indemnified Party"), from and against all losses, damages, liabilities, deficiencies or obligations, including, without limitation, all claims, actions, suits, proceedings, demands, judgments, assessments, fines, interest, penalties, costs and expenses (including, without limitation, settlement costs and reasonable legal fees) (collectively, "Losses") to which they may become subject as a direct result of (x) the Excluded Liabilities and (y) any and all misrepresentations or breaches of a representation herein or warranty (other than that contained in Section 3.06(d), which is provided for in Section 10.05) or the nonperformance or breach of any covenants or agreements of Sellers contained herein.

(b) Payment. Any obligations of Sellers under the provisions of this Article (including, for the avoidance of doubt, Section 10.05) shall be paid promptly to the Seller Indemnified Party by the Sellers and shall represent a retrospective adjustment to Purchase Price. The amount of such payment (and adjustment) shall be equal to the amount of the Loss incurred by the Seller Indemnified Party on account of the matter for which indemnification is required hereunder less any payments made or to be made to the Seller Indemnified Party under any insurance, indemnity or similar policy or arrangement.

(c) Buyer's Basket. Notwithstanding anything contained herein to the contrary, the indemnification provided above shall apply only to the extent that, and not until, the aggregate of all amounts subject to indemnification under this Section 10.02 exceeds two million five hundred thousand Dollars ($2,500,000) (the "Buyer's Basket"). In any event, the maximum amount that Sellers will be required to pay under this Section 10.02 and Section 10.05 in respect of all claims by all parties is fifteen million Dollars ($15,000,000); provided, however that the Buyer's Basket and $15,000,000 maximum shall not apply to claims relating to (i) Excluded Liabilities and (ii) Rate Refund Adjustments paid by Buyer (in cash or on credit) and as to which Sellers have been given a complete opportunity to contest, dispute, defend against and appeal by appropriate proceedings. For avoidance of doubt, amounts paid by Buyer under Section 10.05 shall not apply toward Buyer's Basket.

(d) Programming Service. To the extent that any action is brought against Buyer by a programming supplier as a result of Buyer's failure to carry a programming service pursuant to such supplier's contract with

Sellers, Sellers shall indemnify Buyer for all Losses incurred by Buyer in connection therewith.

10.03 Indemnification by Buyer.

(a) Indemnity. Subject to Section 10.01, Buyer agrees to indemnify, defend and hold harmless Sellers and their respective shareholders, partners, directors, officers, employees, agents, successors and assigns (a "Buyer Indemnified Party"), from and against all Losses to which they may become subject as a direct result of: (i) any and all misrepresentations or breaches of a representation or warranty or the nonperformance or breach of any covenant or agreement of Buyer contained herein; (ii) the Assumed Liabilities; or (iii) the ownership and operation of the Acquired Assets and the CATV Business after the Closing.

(b) Payments. Any obligations of Buyer under the provisions of this Article shall be paid promptly to the Buyer Indemnified Party by Buyer. The amount of such payment shall be equal to the amount of the Loss incurred by the Buyer Indemnified Party on account of the matter for which indemnification is required hereunder less any payments made or to be made to the Buyer Indemnified Party under any insurance, indemnity or similar policy or arrangement.

(c) Sellers' Basket. Notwithstanding anything contained herein to the contrary, the indemnification provided above shall apply only to the extent that, and not until, the aggregate of all amounts subject to indemnification under this Section 10.03 exceeds two million five hundred thousand Dollars ($2,500,000)(the "Sellers' Basket"). In any event, the maximum amount that Buyer will be required to pay under this Section 10.03 in respect of all claims by all parties is fifteen million Dollars ($15,000,000); provided, however, that the Sellers' Basket and $15,000,000 maximum shall not apply to claims relating to Assumed Liabilities.

10.04 Third Party Claims. If any claim ("Asserted Claim") covered by the foregoing indemnities is asserted against any indemnified party ("Indemnitee"), it shall be a condition to the obligations under this Article that the Indemnitee shall promptly give the indemnifying party ("Indemnitor") notice thereof in accordance with Section

13.05. The Indemnitee shall give Indemnitor an opportunity to control negotiations toward resolution of such claim without the necessity of litigation, and, if litigation ensues, to defend the same with counsel reasonably acceptable to Indemnitee, at Indemnitor's expense, and Indemnitee shall extend reasonable cooperation in connection with such defense. If the Indemnitor fails to assume control of the negotiations prior to litigation or to defend such action within a reasonable time, Indemnitee shall be entitled, but not obligated, to assume control of such negotiations or defense of such action, and Indemnitor shall be liable to the Indemnitee for its expenses reasonably incurred in connection therewith which Indemnitor shall promptly pay. Neither Indemnitor nor Indemnitee shall settle, compromise, or make any other disposition of any Asserted Claims, which would or might result in any liability to Indemnitee or Indemnitor, respectively, under this Article 10 without the written consent of Indemnitee or Indemnitor, respectively, which shall not be unreasonably withheld; provided, that the Indemnitor may settle, compromise or make any other disposition of Asserted Claims if the same includes a complete discharge of the Indemnitees.

10.05 Environmental Matters. Buyer may perform, at its option and at its own expense, Phase I environmental site assessments and asbestos studies (the "Environmental Reports") of the Real Property performed by one or more reputable environmental firms designated by Buyer and reasonably acceptable to Sellers. Buyer covenants to notify Sellers of any adverse environmental conditions affecting the Real Property of which it has knowledge prior to Closing. If environmental conditions are uncovered as a result of obtaining such Environmental Reports or as a result of subsequent investigations conducted by Buyer after Closing pursuant to such Environmental Reports and (i) remediation of such conditions is required by Environmental Law or such conditions, if not remediated, would in their then existing state reasonably be expected to subject Buyer to fines or penalties as a result of such conditions violating Environmental Law or (ii) Sellers' representations and warranties in Section 3.06(d) are breached, then (a) Buyer will pay the first five hundred thousand Dollars ($500,000) of actual out-of-pocket remediation expense associated with such environmental conditions, (b) Buyer, on the one hand, and Sellers, on the other hand, will share equally the next five million Dollars ($5,000,000) of actual out-of-pocket remediation expense associated with such environmental conditions, and (c) Sellers will pay all of the remainder of such actual out-of-pocket remediation expense associated with the environmental conditions; provided, however, in no event will Sellers pay in excess of fifteen million Dollars ($15,000,000) in the aggregate as a result of payments made under this Section 10.05 and Section 10.02 and, provided further, that Buyer shall have no obligation to pay or incur any remediation expense unless and until the Closing shall have occurred. Any environmental conditions uncovered as a result of performing the Environmental Reports will not affect the Closing, unless as a result thereof, a condition precedent to Closing cannot be satisfied. Sellers and Buyer agree that Buyer shall not be entitled to make any claims against Seller pursuant to this Section 10.05 subsequent to the date that is two (2) years after the Closing.

10.06 Sole Remedy Upon Closing. Sellers and Buyer agree (a) that the indemnification under Sections 10.02 and 10.05 of this Agreement is the sole remedy of the Buyer for a breach of this Agreement by Sellers in the event the transactions contemplated by this Agreement are consummated and (b) that the indemnification under Section 10.03 of this Agreement is the sole remedy of the Sellers for a breach of this Agreement by Buyer in the event the transactions contemplated by this Agreement are consummated.

11. FURTHER ASSURANCES.

From time to time after the Closing, each party will execute and deliver such other instruments of conveyance and transfer, fully cooperate with the other parties and take such other actions as the other parties reasonably may request to effect the purposes and intent of this Agreement; provided, however, that nothing in this Agreement shall be deemed to require or permit the Sellers or Buyer to take any action that would otherwise require approval of any CATV Licenses by any Governmental Authority prior to the time such approval is obtained.

12. CLOSING.

12.01 Closing. The Closing shall take place at the offices of Buyer's counsel at 10:00 A.M., local time, on the fifth (5th) business day after all consents required as conditions to the sale as provided in Section 7.01 have been received (the "Closing Date"); provided, however, that unless Buyer so agrees, the Closing shall not occur prior to

December 1, 1997; and provided further that if the Closing shall not have occurred prior to the expiration of nine months from the date of this Agreement or as extended pursuant to Section 9.03 (the "Outside Date"), this Agreement shall terminate unless otherwise provided by the mutual written agreement of Buyer and Sellers. If, as of the Outside Date, the Closing cannot be effected, all parties hereto shall be released from all obligations hereunder other than obligations arising from a breach or default hereunder, and each party hereto will bear expenses as provided in Section 13.06 hereof. At the Closing, the parties hereto shall execute and deliver all instruments and documents as shall be necessary in the reasonable opinion of counsel for the respective parties to consummate the transactions contemplated herein.

12.02 Termination. In addition to the termination provided for in Section 12.01, this Agreement may be terminated and the transactions contemplated hereby may be abandoned:

(a) At any time, by the mutual written agreement of Buyer and Sellers;

(b) By Buyer, upon and effective as of the date of written notice to Sellers, if any of the conditions to the obligations of Buyer set forth in Article 7 shall not have been waived or satisfied at the time of the Closing;

(c) By Buyer, if there has been a breach by Sellers of any of their representations, warranties, covenants or agreements contained in this Agreement, and such breach shall not have been cured within a reasonable time after notice thereof to Sellers, or cannot reasonably be cured, in either case, such that the provisions of Sections 7.01, 7.02, 7.03, 7.04 or 7.07 of this Agreement are incapable of being satisfied by the Outside Date;

(d) By Sellers, upon and effective as of the date of written notice to Buyer, if any of the conditions to the obligations of Sellers set forth in Article 8 shall not have been waived or satisfied at the time of the Closing;

(e) By Sellers, if there has been a breach by Buyer of any of its representations, warranties, covenants or agreements contained in this Agreement, and such breach shall not have been cured within a reasonable time after notice thereof to Buyer or cannot reasonably be cured, in either case, such that the provisions of Sections 8.01, 8.02, 8.03, 8.04 or 7.07 of this Agreement are incapable of being satisfied by the Outside Date;

(f) By Sellers or Buyer, upon and effective as of the date of written notice to the other parties, pursuant to the termination provisions of Section 9.02(c);

(g) By Sellers, upon and effective as of the date of written notice to Buyer, pursuant to the termination provisions of Section 9.03(b);

(h) By Sellers, (i) if the Financing Commitment Letter has been withdrawn or modified in any material respect and Buyer has not obtained a Replacement Commitment Letter(s) within 90 days of such withdrawal or material modification, or (ii) if Buyer has obtained a Replacement Commitment Letter(s), and such Replacement Commitment Letter(s) has been withdrawn or modified in a material respect and such Replacement Commitment Letter(s) has not been replaced with another Replacement Commitment Letter within 90 days of such withdrawal or modification;

(i) By Buyer if Sellers refuse to proceed or tender performance at Closing; or

(j) By Sellers if Buyer refuses to proceed or tender performance at Closing.

12.03 Remedies Upon Default.

(a) Buyer's Default. Subject to the last sentence of this Section 12.03(a), if (i) Sellers terminate this Agreement pursuant to Section 12.02(d) as a result of any of the conditions set forth in Sections 8.01, 8.02, 8.03 or 8.04 not having been satisfied at the time the Closing should have otherwise occurred and such failure to have any such condition satisfied is due to Buyer's breach of any material term, condition, covenant or agreement of this Agreement or, (ii) if this Agreement shall terminate pursuant to Section 12.01 or Section 12.02(g) and such failure of the Closing to occur on or prior to the Outside Date is due to Buyer's breach of any material term, condition, covenant or agreement of this Agreement, or (iii) Sellers terminate this Agreement pursuant to

Section 12.02(j) because Buyer refuses to proceed or tender performance at the Closing, or (iv) Sellers terminate this Agreement pursuant to Section 12.02(e) or Section 12.02(h), then, unless, in the case of clause (iii), at the Closing there is a nonfulfillment of any of the conditions precedent specified in Article 7 hereof (other than as a result of Buyer's breach of its obligations hereunder) or unless in the case of clause (i), (ii), (iii) or (iv) Sellers are in material breach under this Agreement, Sellers shall be entitled to receive the deposit in the Earnest Money Escrow, pursuant to the Earnest Money Escrow Agreement. The parties agree that such payment to Sellers shall constitute liquidated damages and not a penalty and that the amount of such liquidated damages are reasonable in light of the nature of the harm to Sellers and the difficulty in assessing actual damages.

(b) Seller's Default. If (i) Buyer terminates this Agreement pursuant to Section 12.02(b) as a result of any of the conditions set forth in Section 7.01, 7.02, 7.03 or 7.04 not having been satisfied at the time the Closing should have otherwise occurred and such failure to have any such condition satisfied is due to Sellers' breach of any material term condition, covenant or agreement of this Agreement or, (ii) if this Agreement shall terminate pursuant to Section 12.01 and such failure of the Closing to occur on or prior to the Outside Date is due to Sellers' breach of any material term, condition, covenant or agreement of this Agreement, or (iii) Buyer terminates this Agreement pursuant to Section 12.02(i) because Sellers refuse to proceed or tender performance at the Closing, or (iv) Buyer terminates this Agreement pursuant to Section 12.02(c) then, unless in the case of clause (iii), at the Closing there is a nonfulfillment of any of the conditions precedent specified in Article 8 hereof (other than as a result of Sellers' breach of its obligations hereunder) or unless in the case of clause (i), (ii), (iii) or (iv) Buyer is in material breach under this Agreement, Buyer shall be entitled to recover Damages from Sellers suffered by Buyer as a result of such breach but in no event shall Buyer be entitled to recover in excess of $15,000,000 as a result of damages suffered hereunder. Alternatively, if at any time on or prior to the Closing Date, Sellers shall be in material breach or be in material default of their obligations under this Agreement, including if the Closing does not occur due to the refusal by Sellers to proceed or tender performance at Closing in violation of their obligations under this Agreement, and, with respect to any such breach or default by Sellers occurring prior to the time the conditions set forth in Section 7 and 8 hereof have been waived or satisfied, provided that Buyer is not then in material breach or in material default of its obligations under this Agreement, Buyer shall be entitled to require Sellers to specifically perform and consummate the transactions in accordance with this Agreement, if necessary, through injunction, court order or other process, and to recover from Sellers any costs and expenses incurred by Buyers in connection therewith. The remedy of specific performance is in addition to, and Buyer shall be entitled to, any and all other rights and remedies at law, including damages, available to Buyer in accordance with the terms of this Agreement, provided that in no event shall Buyer be entitled to recover in excess of $15,000,000 as a result of damages suffered hereunder, and provided further that the remedy of specific performance is only available if Buyer does not terminate this Agreement and does not proceed at law for damages from Sellers.

12.04 Return of Earnest Money Escrow. Subject to Section 12.03(a) of this Agreement and the terms of the Earnest Money Escrow Agreement, upon the termination of this Agreement, the Earnest Money Escrow, together with any income thereon, shall be returned, paid or delivered to Buyer, as the case may be.

13. MISCELLANEOUS.

13.01 Amendments; Waivers. This Agreement cannot be changed or terminated orally and no waiver of compliance with any provision or condition hereof and no consent provided for herein shall be effective unless evidenced by an instrument in writing duly executed by the party hereto sought to be charged with such waiver or consent. No waiver of any term or provision hereof shall be construed as a further or continuing waiver of such term or provision or any other term or provision. Any condition to the performance of any party hereto which may legally be waived at or prior to the Closing may be waived in writing at any time by the party or parties entitled to the benefit thereof. Each of ECC and Missouri, L.P. agree that with respect to any amendment, modification, waiver, change or discharge of any term or provision hereof, U.S. Cable may act for and on behalf of ECC and Missouri, L.P., respectively, and that any notice given by or to U.S. Cable in accordance with the terms hereof shall be deemed given by or to each of them and that all notices given hereunder by Sellers shall be given by U.S. Cable.

13.02 Entire Agreement. This Agreement sets forth the entire understanding and agreement of the parties and supersedes any and all prior agreements, memoranda, arrangements and understandings relating to the subject matter hereof other than any letter or agreement that specifically refers to this Section 13.02. No representation, warranty, promise, inducement or statement of intention has been made by any party which is not contained in this Agreement, and no party shall be bound by, or be liable for, any alleged representation, promise, inducement or statement of intention not contained herein or therein.

13.03 Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. This Agreement may not be assigned by any party without the prior written consent of the other parties hereto; provided, however, that Buyer may assign its rights under this Agreement to one or more entities that are subsidiaries of the Buyer so long as such entity or entities assume the obligations of Buyer under this Agreement, including the obligation to assume the Assumed Liabilities at Closing.

13.04 Construction; Counterparts. The Article and Section headings of this Agreement are for convenience of reference only and do not form a part hereof and do not in any way modify, interpret or construe the intentions of the parties. This Agreement may be executed in one or more counterparts, and all such counterparts shall constitute one and the same instrument.

13.05 Notices. All notices and communications hereunder shall be in writing and shall be deemed to have been duly given to a party when delivered in person or by facsimile, or three business days after such notice is enclosed in a properly sealed envelope, certified or registered, and deposited (postage and certification or registration prepaid) in a post office or collection facility regularly maintained by the United States Postal Service, or one business day after delivery to a nationally recognized overnight courier service, and addressed as follows:

If to Sellers: U.S. Cable Television Group, L.P.
ECC Holding Corporation
Missouri Cable Partners, L.P.

c/o U.S. Cable Television Group, L.P.
One Media Crossways
Woodbury, New York 11797
Telephone: (516) 364-8450
Facsimile: (516)
Attention: General Counsel

copies to: Cablevision Systems Corporation
One Media Crossways
Woodbury, New York 11797
Telephone: (516) 364-8450
Facsimile: (516)
Attention: General Counsel

and

Sullivan & Cromwell
125 Broad Street
New York, New York 10004
Telephone: (212) 558-4000
Facsimile: (212) 558-3588
Attention: John P. Mead

If to Buyer: Mediacom LLC
90 Crystal Run Road Suite 406-A
Middletown, New York 10940
Telephone: (914) 695-2600
Facsimile: (914) 695-2699
Attention: Rocco B. Commisso

copies to: Cooperman Levitt Winikoff Lester &
Newman, P.C.
800 Third Avenue
New York, New York 10022
Telephone: (212) 688-7000
Facsimile: (212) 755-2839
Attention: Robert L. Winikoff, Esq.

Any party may change its address for the purpose of notice by giving notice in accordance with the provisions of this Section 13.05.

13.06 Expenses of the Parties. Except as otherwise provided herein, all expenses incurred by or on behalf of the parties hereto in connection with the authorization, preparation and consummation of this Agreement, including, without limitation, all fees and expenses of agents, representatives, counsel and accountants employed by the parties hereto in connection with the authorization, preparation, execution and consummation of this Agreement shall be borne solely by the party who shall have incurred the same.

13.07 Non-Recourse. No partner, officer, director, shareholder or other holder of an ownership interest of or in any party to this Agreement shall have any personal liability in respect of any such party's obligations under this Agreement by reason of his or its status as such partner, officer, director, shareholder or other holder.

13.08 Third Party Beneficiary. This Agreement is entered into only for the benefit of the parties and their respective successors and assigns, and nothing hereunder shall be deemed to constitute any person a third party beneficiary to this Agreement.

13.09 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS, AND NOT THE LAW OF CONFLICTS, OF THE STATE OF NEW YORK.

13.10 Press Releases. No press release or other public information relating to the purchase and sale contemplated in this Agreement shall be made or disclosed by any party hereto without the consent of the other parties; provided however, that any party may disclose such information if reasonably deemed to be required by law by the legal counsel for such party.

13.11 Severability. If any provision of this Agreement is finally determined to be illegal, void or unenforceable, such determination shall not, of itself, nullify this Agreement which shall continue in full force and effect subject to the conditions and provisions hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

SELLERS:

U.S. CABLE TELEVISION GROUP, L.P.

By: V Cable G.P., Inc., a general partner

By /s/ Barry J. O'Leary

Name:Barry J. O'Leary
Title:Senior Vice President, Finance and Treasurer

ECC HOLDING CORPORATION

By /s/ Barry J. O'Leary

Name:Barry J. O'Leary
Title:Senior Vice President, Finance and Treasurer

MISSOURI CABLE PARTNERS, L.P.

By: V-C Mo. G.P., Inc., a general partner

By /s/ Barry J. O'Leary

Name:Barry J. O'Leary
Title:Senior Vice President, Finance and Treasurer

BUYER: MEDIACOM LLC

By /s/ Rocco B. Commisso

Name: Rocco B. Commisso
Title: Manager

CABLEVISION SYSTEMS CORPORATION

By /s/ Barry J. O'Leary

Name:Barry J. O'Leary
Title:Senior Vice President, Finance and Treasurer
(only as to Sections 3.20 and 5.06)

MEDIACOM LLC AND SUBSIDIARIES

Calculation of the Deficiency of Earnings to Fixed Charges

(Thousands of dollars)

	Years Ended December 31, 1993	Years Ended December 31, 1994	Years Ended December 31, 1995	For the period March 12, 1996 to December 31, 1996	Year Ended December 31, 1997
Earnings:					
Loss from operations	$ 2,576	$ 2,485	$ 2,565	$ 1,953	$ 4,596
Add :					
Fixed charges	(903)	(878)	(935)	(1,528)	(4,829)
Earnings, as adjusted	$ 1,673	$ 1,607	$ 1,630	$ 425	$ (233)
Fixed Charges:					
Interest on debt	903	878	935	1,528	4,829
Total fixed charges	$ 903	$ 878	$ 935	$ 1,528	$ 4,829
Deficiency of earnings to fixed charges	$ 2,576	$ 2,485	$ 2,565	$ 1,953	$ 4,596

	Three Months Ended March 31, 1997	Three Months Ended March 31, 1998	Proforma (1) Year Ended December 31, 1997	Proforma (1) Three Months Ended March 31, 1998
Earnings:				
Loss from operations	$ 1,074	$ 9,975	$ 41,320	$ 11,414
Add :				
Fixed charges	(889)	(5,017)	(26,099)	(6,547)
Earnings, as adjusted	$ 185	$ 4,958	$ 15,221	$ 4,867
Fixed Charges:				
Interest on debt	889	5,017	26,099 (2)	6,547 (2)
Total fixed charges	$ 889	$ 5,017	$ 26,099	$ 6,547
Deficiency of earnings to fixed charges	$ 1,074	$ 9,975	$ 41,320	$ 11,414

(1) Refer to the unaudited pro forma consolidated financial data for further detail

(2) Adjusted for (i) additional interest expense on incremental indebtedness arising from the purchase of the 1998 Systems; (ii) reversing historical interest expense of the 1998 Systems; (iii) additional interest expense arising due to the Offering.

EXHIBIT 21.1

Subsidiaries of Mediacom LLC

Subsidiary	State of Incorporation or Organization	Names under which subsidiary does business
Mediacom Arizona LLC	Delaware	Mediacom Arizona Cable Network LLC
Mediacom California LLC	Delaware	Mediacom California LLC
Mediacom Capital Corporation	New York	Mediacom Capital Corporation
Mediacom Delaware LLC	Delaware	Mediacom Delaware LLC Maryland Mediacom Delaware LLC
Mediacom Southeast LLC	Delaware	Mediacom Southeast LLC Mediacom Southeast L.L.C.

EXHIBIT 23.1

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the use of our report dated April 4, 1998 on the consolidated financial statements of Mediacom LLC and subsidiaries for the year ended December 31, 1997 and for the period from commencement of operations (March 12, 1996) to December 31, 1996 (and to all references to our Firm) included in or made part of this Form S-4.

/s/ Arthur Andersen LLP

Arthur Andersen LLP

New York, New York
June 19, 1998

EXHIBIT 23.2

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the inclusion in the registration statement of Mediacom LLC and Mediacom Capital Corporation on Form S-4 of our report dated February 28, 1996, except Note 3, as to which the date is March 12, 1996, on our audit of the statements of operations and cash flows of Benchmark Acquisition Fund II Limited Partnership. We also consent to the reference to our firm under the caption "Experts."

/s/ Keller Bruner & Company, L.L.C.

Bethesda, Maryland
June 17, 1998

Exhibit 23.3

CONSENT OF INDEPENDENT AUDITORS

The Board of Directors
U.S. Cable Television Group, L.P.

We consent to the use of our report dated March 20, 1998, on the consolidated balance sheets of U.S. Cable Television Group, L.P. and subsidiaries as of December 31, 1997 and 1996 and the related consolidated statements of operations and partners capital/(deficiency) and cash flows for the year ended December 31, 1997 and for the periods from January 1, 1996 to August 12, 1996, and August 13, 1996 to December 31, 1996 in the registration statement on Form S-4 of Mediacom LLC and Mediacom Capital Corporation. We also consent to the inclusion of our report dated April 1, 1997, except as to Note 11 which is as of January 23, 1998, on the consolidated balance sheets of U.S. Cable Television Group, L.P. and subsidiaries as of December 31, 1996 and 1995 and the related consolidated statements of operations and partners capital/(deficiency) and cash flows for the periods from January 1, 1996 to August 12, 1996, and August 13, 1996 to December 31, 1996 and for the years ended December 31, 1995 and 1994, in the registration statement on Form S-4 of Mediacom LLC and Mediacom Capital Corporation and to the reference to our firm under the heading "Experts" in the prospectus and the registration statement. Such reports include an explanatory paragraph related to a change in cost basis of the consolidated financial information as a result of a redemption of certain limited and general partnership interests effective August 13, 1996.

/s/ KPMG Peat Marwick LLP

KPMG Peat Marwick LLP

Jericho, New York
June 18, 1998

EXHIBIT 23.4

Consent of Independent Auditors

The Partners
American Cable TV Investors 5, Ltd.:

We consent to the incorporation by reference in the Registration Statement being filed by Mediacom LLC and Mediacom Capital Corporation, of our report, dated April 30, 1998, relating to the combined statements of operations and partnership's investment and cash flows of the Lower Delaware System (as defined in Note 1 to the combined statements of operations and partnership's investment and cash flows) for the period from January 1, 1997 to June 23, 1997 and for the year ended December 31, 1996, and to the reference to our firm under the heading "Experts" in the prospectus.

/s/ KPMG Peat Marwick LLP

KPMG Peat Marwick LLP

Denver, Colorado
June 15, 1998

EXHIBIT 23.5

CONSENT OF INDEPENDENT AUDITORS

June 16, 1998

To the Partners
Saguaro Cable TV Investors Limited Partnership
(A Limited Partnership)
Castle Rock, Colorado

We consent to the incorporation by reference in the Registration Statement being filed by Mediacom LLC and Mediacom Capital Corporation, of our report, dated February 10, 1997, relating to the Balance Sheet of Saguaro Cable TV Investors Limited Partnership (A Limited Partnership) as of December 26, 1996, and the related Statements of Operations and Partners' Capital and Cash Flows for the period from January 1, 1996 to December 26, 1996, and to the reference to our firm under the heading "Experts" in the prospectus.

/s/ Gustafson, Crandall & Christensen, Inc.

Certified Public Accountants

Exhibit 25.1

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

Check if an Application to Determine Eligibility of a Trustee Pursuant to Section 305(b)___

BANK OF MONTREAL TRUST COMPANY
(EXACT NAME OF TRUSTEE AS SPECIFIED IN ITS CHARTER)

NEW YORK	13-4941093
(State of incorporation or organization IF NOT A U.S. NATIONAL BANK)	(I.R.S. EMPLOYER IDENTIFICATION NO.)

WALL STREET PLAZA, 88 PINE STREET, 19TH FLOOR New York, New York	10005
(Address of trustee's principal executive offices)	(Zip code)

Mark F. McLaughlin
Bank of Montreal Trust Company
Wall Street Plaza, 88 Pine Street 19th Floor
New York, NY 10005
(212) 701-7602
(NAME, ADDRESS AND TELEPHONE NUMBER OF AGENT FOR SERVICE)

Mediacom LLC and Mediacom Capital Corporation
(EXACT NAME OF OBLIGOR AS SPECIFIED IN ITS CHARTER)

New York	06-1513997 06-1433421
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	(I.R.S. EMPLOYER IDENTIFICATION NUMBER)

100 Crystal Run Road
Middletown , NY 10941
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

---SENIOR NOTES---
(Title of Indenture Securities)

ITEM 1. GENERAL INFORMATION.

Furnish the following information as to the trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Federal Reserve Bank of New York
33 Liberty Street, New York N.Y. 10045

State of New York Banking Department
2 Rector Street, New York, N.Y. 10006

(b) Whether it is authorized to exercise corporate trust powers.

The Trustee is authorized to exercise corporate trust powers.

ITEM 2. AFFILIATIONS WITH THE OBLIGOR.

If the obligor is an affiliate of the trustee, describe each such affiliation.

The obligor is not an affiliate of the trustee.

ITEM 16. LIST OF EXHIBITS.

List below all exhibits filed as part of this statement of eligibility.

A. Copy of Organization Certificate of Bank of Montreal Trust Company to transact business and exercise corporate trust powers; incorporated herein by reference as Exhibit "A" filed with Form T-1 Statement, Registration No. 33-46118

B. Copy of the existing By-Laws of Bank of Montreal Trust Company; incorporated herein by reference as Exhibit "B" filed with Form T-1 Statement, Registration No. 33-46118

C. The consent of the Trustee required by Section 321(b) of the Act; incorporated herein by reference as Exhibit "C" with Form T-1 Statement, Registration No. 33-46118

D. A copy of the latest report of condition of Bank of Montreal Trust Company published pursuant to law or the requirements of its supervising or examining authority, attached hereto as Exhibit "D"

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939 the Trustee, Bank of Montreal Trust Company, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of New York, and State of New York, on the 9th day of June, 1998.

BANK OF MONTREAL TRUST COMPANY

By: /s/ Therese Gaballah
Therese Gaballah
Vice President

EXHIBIT "D"

STATEMENT OF CONDITION
BANK OF MONTREAL TRUST COMPANY
NEW YORK

ASSETS	
Due From Banks	$ 528,979
Investment Securities:	
State & Municipal	17,085,290
Other	100
TOTAL SECURITIES	17,085,390
Loans and Advances	
Federal Funds Sold	4,400,000
Overdrafts	10,000
TOTAL LOANS AND ADVANCES	4 ,410,000
Investment in Harris Trust, NY	8,509,571
Premises and Equipment	288,644
Other Assets	2,965,076
	11,763,291
TOTAL ASSETS	$33,787,660
LIABILITIES	
Trust Deposits	$ 8,680,937
Other Liabilities	824,388
TOTAL LIABILITIES	9,505,325
CAPITAL ACCOUNTS	
Capital Stock, Authorized, Issued and Fully Paid - 10,000 Shares of $100 Each	1,000,000
Surplus	4,222,188
Retained Earnings	19,048,815
Equity - Municipal Gain/Loss	11,332
TOTAL CAPITAL ACCOUNTS	24,282,335
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	$33,787,660

I, Mark F. McLaughlin, Vice President, of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Mark F. McLaughlin
December 31, 1997

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declared that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Sanjiv Tandon
Kevin O. Healy
Steven R. Rothbloom

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THIS SCHEDULE CONTAINS SUMMARY INFORMATION EXTRACTED FROM THE CONSOLIDATED STATEMENTS OF OPERATIONS AND CONSOLIDATED BALANCE SHEETS OF MEDIACOM LLC AND SUBSIDIARIES AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

0001064116
MEDIACOM LLC
1,000

12-MOS	12-MOS	3-MOS
DEC-31-1997	DEC-31-1996	DEC-31-1998
JAN-01-1997	MAR-12-1996	JAN-01-1998
DEC-31-1997	DEC-31-1996	MAR-31-1998
1027	396	1495
0	0	0
674	292	4447
56	25	373
1032	327	1293
0	0	0
51735	18993	190519
(5737)	(1056)	(11397)
102791	46560	444963
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
24441	4537	108466
102791	46560	444963
17634	5411	25943
17634	5411	25943
5547	1511	9822
16761	4869	27561
640	967	3340
0	0	0
4829	1528	5017
(4596)	(1953)	(9975)
0	0	0
(4596)	(1953)	(9975)
0	0	0
0	0	0
0	0	0
(4596)	(1953)	(9975)
0	0	0
0	0	0

EXHIBIT 99.1

LETTER OF TRANSMITTAL

TO TENDER FOR EXCHANGE
8 1/2% SENIOR NOTES DUE 2008

OF

MEDIACOM LLC
MEDIACOM CAPITAL CORPORATION

PURSUANT TO THE PROSPECTUS DATED , 1998

THE EXCHANGE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 1998 UNLESS EXTENDED (THE "EXPIRATION DATE").

PLEASE READ CAREFULLY THE ATTACHED INSTRUCTIONS

If you desire to accept the Exchange Offer, this Letter of Transmittal should be completed, signed, and submitted to the Exchange Agent:

Bank of Montreal Trust Company
(the "Exchange Agent"):

IF BY OVERNIGHT COURIER:
Bank of Montreal Trust Company
88 Pine Street, 19th Floor
New York, New York 10005
Attn: Reorganization Department

IF BY HAND:
Bank of Montreal Trust Company
88 Pine Street, 19th Floor
New York, New York 10005
Attn: Reorganization Department

IF BY MAIL:
Bank of Montreal Trust Company
88 Pine Street, 19th Floor
New York, New York 10005
Attn: Reorganization Department

DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY.

FOR ANY QUESTIONS REGARDING THIS LETTER OF TRANSMITTAL OR FOR ANY ADDITIONAL INFORMATION, YOU MAY CONTACT THE EXCHANGE AGENT BY TELEPHONE AT 212-701-7624.

The undersigned hereby acknowledges receipt of the Prospectus dated , 1998 (the "Prospectus") of Mediacom LLC, a New York limited liability company ("Mediacom") and Mediacom Capital Corporation, a New York corporation ("Mediacom Capital" and together with Mediacom, the "Issuers"), and this Letter of Transmittal (the "Letter of Transmittal"), that together constitute the Issuers' offer (the "Exchange Offer") to exchange $1,000 in principal amount of its Series B 8 1/2% Senior Notes due 2008 (the "Exchange Notes"), which have been registered under the Securities Act (as hereinafter defined) pursuant to a Registration Statement, for each $1,000 in principal amount of its outstanding 8 1/2% Senior Notes due 2008 (the "Notes"), of which $200,000,000 aggregate principal amount is outstanding. Capitalized terms used but not defined herein have the meanings ascribed to them in the Prospectus.

The undersigned hereby tenders the Notes described in Box 1 below (the "Tendered Notes") pursuant to the terms and conditions described in the Prospectus and this Letter of Transmittal. The undersigned is the registered owner of all the Tendered Notes and the undersigned represents that it has received from each beneficial owner of the Tendered Notes ("Beneficial Owners") a duly completed and executed form of "Instruction to Registered Holder and/or Book-Entry Transfer Facility Participant from Beneficial Owner" accompanying this Letter of Transmittal, instructing the undersigned to take the action described in this Letter of Transmittal.

Subject to, and effective upon, the acceptance for exchange of the Tendered Notes, the undersigned hereby exchanges, assigns, and transfers to, or upon the order of, the Issuers, all rights, title, and interest in, to and under the Tendered Notes.

Please issue the Exchange Notes exchanged for Tendered Notes in the name(s) of the undersigned. Similarly, unless otherwise indicated under "Special Delivery Instructions" below (Box 3), please send or cause to be sent the certificates for the Exchange Notes (and accompanying documents, as appropriate) to the undersigned at the address shown below in Box 1.

The undersigned hereby irrevocably constitutes and appoints the Exchange Agent as the true and lawful agent and attorney in fact of the undersigned with respect to the Tendered Notes, with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest), to (i) deliver the Tendered Notes to the Issuers or cause ownership of the Tendered Notes to be transferred to, or upon the order of, the Issuers, on the books of the registrar for the Notes and deliver all accompanying evidences of transfer and authenticity to, or upon the order of, the Issuers upon receipt by the Exchange Agent, as the undersigned's agent, of the Exchange Notes to which the undersigned is entitled upon acceptance by the Issuers of the Tendered Notes pursuant to the Exchange Offer, and (ii) receive all benefits and otherwise exercise all rights of beneficial ownership of the Tendered Notes, all in accordance with the terms of the Exchange Offer.

The undersigned understands that tenders of Notes pursuant to the procedures described in the caption "The Exchange Offer" in the Prospectus and in the instructions hereto will constitute a binding agreement between the undersigned and the Issuers upon the terms and subject to the conditions of the Exchange Offer, subject only to withdrawal of such tenders on the terms set forth in the Prospectus under the caption "The Exchange Offer--Withdrawal of Tenders." All authority herein conferred or agreed to be conferred shall survive the death or incapacity of the undersigned and any Beneficial Owner(s), and every obligation of the undersigned or any Beneficial Owners hereunder shall be binding upon the heirs, representatives, successors and assigns of the undersigned and such Beneficial Owner(s).

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender, exchange, assign and transfer the Tendered Notes and that the Issuers will acquire good and unencumbered title thereto, free and clear of all liens, restrictions, charges, encumbrances and adverse claims when the Tendered Notes are acquired by the Issuers as contemplated herein. The undersigned and each Beneficial Owner will, upon request, execute and deliver any additional documents reasonably requested by the Issuers or the Exchange Agent as necessary or desirable to complete and give effect to the transactions contemplated hereby.

The undersigned hereby represents and warrants that the information set forth in Box 2 is true and correct.

By accepting the Exchange Offer, the undersigned hereby represents and warrants that (i) the Exchange Notes to be acquired by the undersigned and any Beneficial Owner(s) in connection with the Exchange Offer are being acquired by the undersigned and any Beneficial Owner(s) in the ordinary course of business of the undersigned and any Beneficial Owner(s), (ii) the undersigned and each Beneficial Owner are not participating, do not intend to participate, and have no arrangement or understanding with any person to participate, in the distribution of the Exchange Notes, (iii) except as otherwise disclosed in writing herewith, neither the undersigned nor any Beneficial Owner is an "affiliate," as defined in Rule 405 under the Securities Act, of the Issuers or any of their subsidiaries and (iv) the undersigned and each Beneficial Owner acknowledge and agree that any person participating in the Exchange Offer with the intention or for the purpose of distributing the Exchange Notes must comply with the registration and prospectus delivery requirements of the Securities Act of 1933, as amended (together with the rules and regulations promulgated thereunder, the "Securities Act"), in connection with a secondary resale of the Exchange Notes acquired by such person and cannot rely on the position of the Staff of the Securities and Exchange Commission (the "Commission") set forth in the no-action letters that are discussed in the section of the Prospectus entitled "The Exchange Offer." Each broker-dealer that will receive Exchange Notes for its own account in exchange for Notes that were acquired as a result of market-making activities or other trading activities hereby acknowledges that it will deliver a Prospectus in connection with any resale of such Exchange Notes; however, by so acknowledging and by delivering a Prospectus, such broker-dealer is not deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

[_] CHECK HERE IF TENDERED NOTES ARE BEING DELIVERED HEREWITH.

[_] CHECK HERE IF TENDERED NOTES ARE BEING DELIVERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY DELIVERED TO THE EXCHANGE AGENT AND COMPLETE "Use of Guaranteed Delivery" BELOW (Box 4).

[_] CHECK HERE IF TENDERED NOTES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER MADE TO THE ACCOUNT MAINTAINED BY THE EXCHANGE AGENT WITH THE BOOK-ENTRY TRANSFER FACILITY AND COMPLETE "Use of Book-Entry Transfer" BELOW (Box 5).

[_] CHECK HERE IF YOU ARE A BROKER-DEALER AND WISH TO RECEIVE 10 ADDITIONAL COPIES OF THE PROSPECTUS AND 10 COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO.

Name:
Address:

PLEASE READ THIS ENTIRE LETTER OF TRANSMITTAL CAREFULLY BEFORE COMPLETING THE BOXES

BOX 1

DESCRIPTION OF NOTES TENDERED (ATTACH ADDITIONAL SIGNED PAGES, IF NECESSARY)

NAME(S) AND ADDRESS(ES) OF REGISTERED NOTE HOLDER(S), EXACTLY AS NAME(S) APPEAR(S) ON NOTE CERTIFICATE(S) (PLEASE FILL IN, IF BLANK)	CERTIFICATE NUMBER(S) OF NOTES*	AGGREGATE PRINCIPAL AMOUNT REPRESENTED BY CERTIFICATE(S)	AGGREGATE PRINCIPAL AMOUNT TENDERED**
	TOTAL		

* Need not be completed by persons tendering by book-entry transfer.

** The minimum permitted tender is $1,000 in principal amount of Notes. All other tenders must be in integral multiples of $1,000 of principal amount. Unless otherwise indicated in this column, the principal amount of all Note Certificates identified in this Box 1 or delivered to the Exchange Agent herewith shall be deemed tendered. See Instruction 4.

BOX 2

BENEFICIAL OWNER(S)

STATE OF PRINCIPAL RESIDENCE OF EACH BENEFICIAL OWNER OF TENDERED NOTES	PRINCIPAL AMOUNT OF TENDERED NOTES HELD FOR ACCOUNT OF BENEFICIAL OWNER

BOX 3

SPECIAL DELIVERY INSTRUCTIONS (SEE INSTRUCTIONS 5, 6 AND 7)

TO BE COMPLETED ONLY IF EXCHANGE NOTES EXCHANGED FOR NOTES AND UNTENDERED NOTES ARE TO BE SENT TO SOMEONE OTHER THAN THE UNDERSIGNED, OR TO THE UNDERSIGNED AT AN ADDRESS OTHER THAN THAT SHOWN ABOVE.

Mail Exchange Note(s) and any untendered Notes to:

Name(s):

(PLEASE PRINT)

Address:
____
____
____
(INCLUDE ZIP CODE)

Tax Identification or Social Security No.:
____

BOX 4

USE OF GUARANTEED DELIVERY (SEE INSTRUCTION 2)

TO BE COMPLETED ONLY IF NOTES ARE BEING TENDERED BY MEANS OF A NOTICE OF GUARANTEED DELIVERY.

Name(s) of Registered Holder(s):
____
Date of Execution of Notice of Guaranteed Delivery: _______________________
Name of Institution which Guaranteed Delivery: ____________________________

BOX 5

USE OF BOOK-ENTRY TRANSFER(SEE INSTRUCTION 1)

TO BE COMPLETED ONLY IF DELIVERY OF TENDERED NOTES IS TO BE MADE BY BOOK-ENTRY TRANSFER.

Name of Tendering Institution: ____
Account Number: ____
Transaction Code Number: ____

BOX 6

TENDERING HOLDER SIGNATURE
(SEE INSTRUCTIONS 1 AND 5)
IN ADDITION, COMPLETE SUBSTITUTE FORM W-9

X ___________________________________
X ___________________________________

(SIGNATURE OF REGISTERED HOLDER(S)
OR AUTHORIZED SIGNATORY)

Note: The above lines must be signed by the registered holder(s) of Notes as their name(s) appear(s) on the Notes or by person(s) authorized to become registered holder(s) (evidence of which authorization must be transmitted with this Letter of Transmittal). If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer, or other person acting in a fiduciary or representative capacity, such person must set forth his or her full title below. See Instruction 5.

Name(s): ____________________________
____
Capacity:____________________________
____
Street Address: _____________________
____
____
(INCLUDE ZIP CODE)
Area Code and Telephone Number:
____
Tax Identification or Social Security Number:
____

Signature Guarantee
(IF REQUIRED BY INSTRUCTION 5)

Authorized Signature

X ___________________________________
Name: _______________________________
(PLEASE PRINT)

Title: ______________________________
Name of Firm: _______________________
(MUST BE AN ELIGIBLE INSTITUTION AS DEFINED IN INSTRUCTION 2)

Address: ____________________________

(INCLUDE ZIP CODE)

Area Code and Telephone Number:
____
Dated: ______________________________

PAYOR'S NAME: MEDIACOM LLC
MEDIACOM CAPITAL CORPORATION

	Name (if joint names, list first and circle the name of the person or entity whose number you enter in Part 1 below. See instructions if your name has changed.)
SUBSTITUTE	
FORM W-9	Address
DEPARTMENT OF THE TREASURY INTERNAL REVENUE SERVICE	City, State and ZIP Code List account number(s) here (optional)
	PART 1--PLEASE PROVIDE YOUR TAXPAYER IDENTIFICATION NUMBER ("TIN") IN THE BOX AT RIGHT AND CERTIFY BY SIGNING AND DATING BELOW. — Social Security Number or TIN -----------------
	PART 2--Check the box if you are NOT subject to backup withholding under the provisions of section 3406(a)(1)(C) of the Internal Revenue Code because (1) you have not been notified that you are subject to backup withholding as a result of failure to report all interest or dividends or (2) the Internal Revenue Service has notified you that you are no longer subject to backup withholding. [_]
	CERTIFICATION--UNDER THE PENALTIES OF PERJURY, I CERTIFY THAT THE INFORMATION PROVIDED ON THIS FORM IS TRUE, CORRECT AND COMPLETE.
	PART 3 -- Awaiting TIN [_]
	SIGNATURE _______________ DATE _____

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN BACKUP WITHHOLDING OF 31% OF ANY PAYMENTS MADE TO YOU PURSUANT TO THE EXCHANGE OFFER.

INSTRUCTIONS TO LETTER OF TRANSMITTAL

FORMING PART OF THE TERMS AND CONDITIONS OF THE EXCHANGE OFFER

1.DELIVERY OF THIS LETTER OF TRANSMITTAL AND NOTES. A properly completed and duly executed copy of this Letter of Transmittal, including Substitute Form W-9, and any other documents required by this Letter of Transmittal must be received by the Exchange Agent at its address set forth herein, and either certificates for Tendered Notes must be received by the Exchange Agent at its address set forth herein or such Tendered Notes must be transferred pursuant to the procedures for book-entry transfer described in the Prospectus under the caption "The Exchange Offer--Procedures for Tendering" (and a confirmation of such transfer received by the Exchange Agent), in each case prior to 5:00 p.m., New York City time, on the Expiration Date. The method of delivery of certificates for Tendered Notes, this Letter of Transmittal and all other required documents to the Exchange Agent is at the election and risk of the tendering holder and the delivery will be deemed made only when actually received by the Exchange Agent. If delivery is by mail, registered mail with return receipt requested, properly insured, is recommended. Instead of delivery by mail, it is recommended that the holder use an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure timely delivery. No Letter of Transmittal or Notes should be sent to the Company. Neither the Issuers nor the registrar is under any obligation to notify any tendering holder of the Issuers' acceptance of Tendered Notes prior to the closing of the Exchange Offer.

2.GUARANTEED DELIVERY PROCEDURES. Holders who wish to tender their Notes but whose Notes are not immediately available, and who cannot deliver their Notes, this Letter of Transmittal or any other documents required hereby to the Exchange Agent prior to the Expiration Date must tender their Notes according to the guaranteed delivery procedures set forth below, including completion of Box 4. Pursuant to such procedures: (i) such tender must be made by or through a firm which is a member of a recognized Medallion Program approved by the Securities Transfer Association Inc. (an "Eligible Institution") and the Notice of Guaranteed Delivery must be signed by the holder; (ii) prior to the Expiration Date, the Exchange Agent must have received from the holder and the Eligible Institution a properly completed and duly executed Notice of Guaranteed Delivery (by mail or hand delivery) setting forth the name and address of the holder, the certificate number(s) of the Tendered Notes and the principal amount of Tendered Notes, stating that the tender is being made thereby and guaranteeing that, within five New York Stock Exchange trading days after the Expiration Date, this Letter of Transmittal together with the certificate(s) representing the Notes and any other required documents will be deposited by the Eligible Institution with the Exchange Agent; and (iii) such properly completed and executed Letter of Transmittal, as well as all other documents required by this Letter of Transmittal and the certificate(s) representing all Tendered Notes in proper form for transfer, must be received by the Exchange Agent within five New York Stock Exchange trading days after the Expiration Date. Any holder who wishes to tender Notes pursuant to the guaranteed delivery procedures described above must ensure that the Exchange Agent receives the Notice of Guaranteed Delivery relating to such Notes prior to 5:00 p.m., New York City time, on the Expiration Date. Failure to complete the guaranteed delivery procedures outlined above will not, of itself, affect the validity or effect a revocation of any Letter of Transmittal form properly completed and executed by an Eligible Holder who attempted to use the guaranteed delivery process.

3.BENEFICIAL OWNER INSTRUCTIONS TO REGISTERED HOLDERS. Only a holder in whose name Tendered Notes are registered on the books of the registrar (or the legal representative or attorney-in-fact of such registered holder) may execute and deliver this Letter of Transmittal. Any Beneficial Owner of Tendered Notes who is not the registered holder must arrange promptly with the registered holder to execute and deliver this Letter of Transmittal on his or her behalf through the execution and delivery to the registered holder of the Instructions to Registered Holder and/or Book-Entry Transfer Facility Participant from Beneficial Owner form accompanying this Letter of Transmittal.

4.PARTIAL TENDERS. Tenders of Notes will be accepted only in integral multiples of $1,000 in principal amount. If less than the entire principal amount of Notes held by the holder is tendered, the tendering holder should fill in the principal amount tendered in the column labeled "Aggregate Principal Amount Tendered" of the box entitled "Description of Notes Tendered" (Box 1) above. The entire principal amount of Notes delivered to the Exchange Agent will be deemed to have been tendered unless otherwise indicated. If the entire principal amount of all Notes held by the holder is not tendered, then Notes for the principal amount of Notes not tendered and Exchange Notes issued in exchange for any Notes tendered and accepted will be sent to the Holder at his or her registered address, unless a different address is provided in the appropriate box on this Letter of Transmittal, as soon as practicable following the Expiration Date.

5.SIGNATURES ON THE LETTER OF TRANSMITTAL; BOND POWERS AND ENDORSEMENTS; GUARANTEE OF SIGNATURES. If this Letter of Transmittal is signed by the registered holder(s) of the Tendered Notes, the signature must correspond with the name(s) as written on the face of the Tendered Notes without alteration, enlargement or any change whatsoever.

If any of the Tendered Notes are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal. If any Tendered Notes are held in different names, it will be necessary to complete, sign and submit as many separate copies of the Letter of Transmittal as there are different names in which Tendered Notes are held.

If this Letter of Transmittal is signed by the registered holder(s) of Tendered Notes, and Exchange Notes issued in exchange therefor are to be issued (and any untendered principal amount of Notes is to be reissued) in the name of the registered holder(s), then such registered holder(s) need not and should not endorse any Tendered Notes, nor provide a separate bond power. In any other case, such registered holder(s) must either properly endorse the Tendered Notes or transmit a properly completed bond power with this Letter of Transmittal, with the signature(s) on the endorsement or bond power guaranteed by an Eligible Institution.

If this Letter of Transmittal is signed by a person other than the registered holder(s) of any Tendered Notes, such Tendered Notes must be endorsed or accompanied by appropriate bond powers, in each case, signed as the name(s) of the registered holder(s) appear(s) on the Tendered Notes, with the signature(s) on the endorsement or bond power guaranteed by an Eligible Institution.

If this Letter of Transmittal or any Tendered Notes or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations, or others acting in a fiduciary or representative capacity, such persons should so indicate when signing and, unless waived by the Issuers, evidence satisfactory to the Issuers of their authority to so act must be submitted with this Letter of Transmittal.

Endorsements on Tendered Notes or signatures on bond powers required by this Instruction 5 must be guaranteed by an Eligible Institution.

Signatures on this Letter of Transmittal must be guaranteed by an Eligible Institution unless the Tendered Notes are tendered (i) by a registered holder who has not completed the box set forth herein entitled "Special Delivery Instructions" (Box 3) or (ii) by an Eligible Institution.

6.SPECIAL DELIVERY INSTRUCTIONS. Tendering holders should indicate, in the applicable box (Box 3), the name and address to which the Exchange Notes and/or substitute Notes for principal amounts not tendered or not accepted for exchange are to be sent, if different from the name and address of the person signing this Letter of Transmittal. In the case of issuance in a different name, the taxpayer identification or social security number of the person named must also be indicated.

7.TRANSFER TAXES. The Issuers will pay all transfer taxes, if any, applicable to the exchange of Tendered Notes pursuant to the Exchange Offer. If, however, a transfer tax is imposed for any reason other than the transfer and exchange of Tendered Notes pursuant to the Exchange Offer, then the amount of any such transfer taxes (whether imposed on the registered holder or on any other person) will be payable by the tendering holder. If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted with this Letter of Transmittal, the amount of such transfer taxes will be billed directly to such tendering holder.

Except as provided in this Instruction 7, it will not be necessary for transfer tax stamps to be affixed to the Tendered Notes listed in this Letter of Transmittal.

8.TAX IDENTIFICATION NUMBER. Federal income tax law requires that the holder(s) of any Tendered Notes which are accepted for exchange must provide the Issuers (as payor) with its correct taxpayer identification number ("TIN"), which, in the case of a holder who is an individual, is his or her social security number. If the Issuers are not provided with the correct TIN, the Holder may be subject to backup withholding and a $50 penalty imposed by the Internal Revenue Service. (If withholding results in an over-payment of taxes, a refund may be obtained.) Certain holders (including, among others, all corporations and certain foreign individuals) are not subject to these backup withholding and reporting requirements.

To prevent backup withholding, each holder of Tendered Notes must provide such holder's correct TIN by completing the Substitute Form W-9 set forth herein, certifying that the TIN provided is correct (or that such holder is awaiting a TIN), and that (i) the holder has not been notified by the Internal Revenue Service that such holder is subject to backup withholding as a result of failure to report all interest or dividends or (ii) the Internal Revenue Service has notified the holder that such holder is no longer subject to backup withholding.

The Issuers reserve the right in their sole discretion to take whatever steps are necessary to comply with the Issuers' obligation regarding backup withholding.

9.VALIDITY OF TENDERS. All questions as to the validity, form, eligibility (including time of receipt), acceptance and withdrawal of Tendered Notes will be determined by the Issuers in their sole discretion, which determination will be final and binding. The Issuers reserve the right to reject any and all Notes not validly tendered or any Notes the Issuers' acceptance of which would, in the opinion of the Issuers or their counsel, be unlawful. The Issuers also reserve the right to waive any conditions of the Exchange Offer or defects or irregularities in tenders of Notes as to any ineligibility of any holder who seeks to tender Notes in the Exchange Offer. The interpretation of the terms and conditions of the Exchange Offer (including this Letter of Transmittal and the instructions hereto) by the Issuers shall be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of Notes must be cured within such time as the Issuers shall determine. Neither the Issuers, the Exchange Agent nor any other person shall be under any duty to give notification of defects or irregularities with respect to tenders of Notes, nor shall any of them incur any liability for failure to give such notification. Tenders of Notes will not be deemed to have been made until such defects or irregularities have been cured or waived. Any Notes received by the Exchange Agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned by the Exchange Agent to the tendering holders, unless otherwise provided in this Letter of Transmittal, as soon as practicable following the Expiration Date.

10.WAIVER OF CONDITIONS. The Company reserves the absolute right to amend, waive or modify any of the conditions in the Exchange Offer in the case of any Tendered Notes.

11.NO CONDITIONAL TENDER. No alternative, conditional, irregular or contingent tender of Notes or transmittal of this Letter of Transmittal will be accepted.

12.MUTILATED, LOST, STOLEN OR DESTROYED NOTES. Any tendering holder whose Notes have been mutilated, lost, stolen or destroyed should contact the Exchange Agent at the address indicated herein for further instructions.

13.REQUESTS FOR ASSISTANCE OR ADDITIONAL COPIES. Questions and requests for assistance and requests for additional copies of the Prospectus or this Letter of Transmittal may be directed to the Exchange Agent at the address indicated herein. Holders may also contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Exchange Offer.

14.ACCEPTANCE OF TENDERED NOTES AND ISSUANCE OF NOTES; RETURN OF NOTES. Subject to the terms and conditions of the Exchange Offer, the Issuers will accept for exchange all validly tendered Notes as soon as practicable after the Expiration Date and will issue Exchange Notes therefor as soon as practicable thereafter. For purposes of the Exchange Offer, the Issuers shall be deemed to have accepted tendered Notes when, as and if the Issuers have given written or oral notice (immediately followed in writing) thereof to the Exchange Agent. If any Tendered Notes are not exchanged pursuant to the Exchange Offer for any reason, such unexchanged Notes will be returned, without expense, to the undersigned at the address shown in Box 1 or at a different address as may be indicated herein under "Special Delivery Instructions" (Box 3).

15.WITHDRAWAL. Tenders may be withdrawn only pursuant to the procedures set forth in the Prospectus under the caption "The Exchange Offer."

INSTRUCTIONS TO REGISTERED HOLDER AND/OR
BOOK-ENTRY TRANSFER FACILITY PARTICIPANT FROM BENEFICIAL OWNER
OF
MEDIACOM LLC
MEDIACOM CAPITAL CORPORATION
8 1/2% SENIOR NOTES DUE 2008

To Registered Holder and/or Participant of the Book-Entry Transfer Facility:

The undersigned hereby acknowledges receipt of the Prospectus, dated , 1998 (the "Prospectus") of Mediacom LLC, a New York limited liability company ("Mediacom") and Mediacom Capital Corporation, a New York corporation ("Mediacom Capital" and together with Mediacom, the "Issuers"), and the accompanying Letter of Transmittal (the "Letter of Transmittal"), that together constitute the Issuers' offer (the "Exchange Offer"). Capitalized terms used but not defined herein have the meanings ascribed to them in the Prospectus.

This will instruct you, the registered holder and/or book-entry transfer facility participant, as to action to be taken by you relating to the Exchange Offer with respect to the 8 1/2% Senior Notes due 2008 (the "Notes") held by you for the account of the undersigned.

The aggregate face amount of the Notes held by you for the account of the undersigned is (FILL IN AMOUNT):

$ of the 8 1/2% Senior Notes due 2008

With respect to the Exchange Offer, the undersigned hereby instructs you (CHECK APPROPRIATE BOX):

[_]TO TENDER the following Notes held by you for the account of the undersigned (INSERT PRINCIPAL AMOUNT OF NOTES TO BE TENDERED, IF ANY): $.

[_]NOT TO TENDER any Notes held by you for the account of the undersigned.

If the undersigned instruct you to tender the Notes held by you for the account of the undersigned, it is understood that you are authorized (a) to make, on behalf of the undersigned (and the undersigned, by its signature below, hereby makes to you), the representations and warranties contained in the Letter of Transmittal that are to be made with respect to the undersigned as a beneficial owner, including but not limited to the representations that (i) the undersigned's principal residence is in the state of (FILL IN STATE) , (ii) the undersigned is acquiring the Exchange Notes in the ordinary course of business of the undersigned, (iii) the undersigned is not participating, does not participate, and has no arrangement or understanding with any person to participate, in the distribution of the Exchange Notes, (iv) the undersigned acknowledges that any person participating in the Exchange Offer for the purpose of distributing the Exchange Notes must comply with the registration and prospectus delivery requirements of the Securities Act of 1933, as amended (the "Act"), in connection with a secondary resale transaction of the Exchange Notes acquired by such person and cannot rely on the position of the Staff of the Securities and Exchange Commission set forth in no-action letters that are discussed in the section of the Prospectus entitled "The Exchange Offer--Purpose and Effect of the Exchange Offer," and (v) the undersigned is not an "affiliate," as defined in Rule 405 under the Act, of the Issuers or any of their subsidiaries; (b) to agree, on behalf of the undersigned, as set forth in the Letter of Transmittal; and (c) to take such other action as necessary under the Prospectus or the Letter of Transmittal to effect the valid tender of such Notes.

SIGN HERE

Name of beneficial owner(s): ____
Signature(s): ____
Name (please print): ____
Address: ____
____
____
Telephone number: ____
Taxpayer Identification or Social Security Number: ______________________
Date: ____

NOTICE OF GUARANTEED DELIVERY

WITH RESPECT TO
8 1/2% SENIOR NOTES DUE 2008

OF

MEDIACOM LLC
MEDIACOM CAPITAL CORPORATION

PURSUANT TO THE PROSPECTUS DATED , 1998

This form must be used by a holder of 8 1/2% Senior Notes due 2008 (the "Notes") of Mediacom LLC, a New York limited liability company ("Mediacom") and Mediacom Capital Corporation, a New York corporation ("Mediacom Capital" and together with Mediacom, the "Issuers"), who wishes to tender Notes to the Exchange Agent pursuant to the guaranteed delivery procedures described in "The Exchange Offer--Guaranteed Delivery Procedures" of the Issuers' Prospectus, dated , 1998 (the "Prospectus") and in Instruction 2 to the related Letter of Transmittal. Any holder who wishes to tender Notes pursuant to such guaranteed delivery procedures must ensure that the Exchange Agent receives this Notice of Guaranteed Delivery prior to the Expiration Date of the Exchange Offer. Capitalized terms used but not defined herein have the meanings ascribed to them in the Prospectus or the Letter of Transmittal.

THE EXCHANGE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 1998 UNLESS EXTENDED (THE "EXPIRATION DATE").

Bank of Montreal Trust Company,
(the "Exchange Agent"):

IF BY OVERNIGHT COURIER: Bank of Montreal Trust Company 88 Pine Street, 19th Floor New York, New York 10005 Attn: Reorganization Department	IF BY HAND: Bank of Montreal Trust Company 88 Pine Street, 19th Floor New York, New York 10005 Attn: Reorganization Department

IF BY MAIL:
Bank of Montreal Trust Company
88 Pine Street, 19th Floor
New York, New York 10005
Attn: Reorganization Department

DELIVERY OF THIS INSTRUMENT TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY.

This form is not to be used to guarantee signatures. If a signature on a Letter of Transmittal is required to be guaranteed by an "Eligible Institution" under the instructions thereto, such signature guarantee must appear in the applicable space provided in the signature box on the Letter of Transmittal.

Ladies and Gentlemen:

The undersigned hereby tenders to the Issuers, upon the terms and subject to the conditions set forth in the Prospectus and the related Letter of Transmittal, receipt of which is hereby acknowledged, the principal amount of Notes set forth below pursuant to the guaranteed delivery procedures set forth in the Prospectus and in Instruction 2 of the Letter of Transmittal.

The undersigned hereby tenders the Notes listed below:

CERTIFICATE NUMBER(S) (IF KNOWN) OF NOTES OR ACCOUNT NUMBER AT THE BOOK-ENTRY FACILITY	AGGREGATE PRINCIPAL AMOUNT REPRESENTED	AGGREGATE PRINCIPAL AMOUNT TENDERED

PLEASE SIGN AND COMPLETE

Signatures of Registered Holder(s) or Authorized Signatory: ___________

Date: ______________, 1998

____

Address: _____________________________

____

____

Name(s) of Registered Holder(s): ___

Area Code and Telephone No. ________

____

____

This Notice of Guaranteed Delivery must be signed by the Holder(s) exactly as their name(s) appear on certificates for Notes or on a security position listing as the owner of Notes, or by person(s) authorized to become Holder(s) by endorsements and documents transmitted with this Notice of Guaranteed Delivery. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer or other person acting in a fiduciary or representative capacity, such person must provide the following information.

Please print name(s) and address(es)

Name(s): ____

Capacity: ____

Address(es): ____

GUARANTEE
(NOT TO BE USED FOR SIGNATURE GUARANTEE)

The undersigned, a firm which is a member of a registered national securities exchange or of the National Association of Securities Dealers, Inc., or is a commercial bank or trust company having an office or correspondent in the United States, or is otherwise an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended, guarantees deposit with the Exchange Agent of the Letter of Transmittal (or facsimile thereof), together with the Notes tendered hereby in proper form for transfer (or confirmation of the book-entry transfer of such Notes into the Exchange Agent's account at the Book-Entry Transfer Facility described in the Prospectus under the caption "The Exchange Offer -- Guaranteed Delivery Procedures" and in the Letter of Transmittal) and any other required documents, all by 5:00 p.m., New York City time, on the fifth New York Stock Exchange trading day following the Expiration Date.

Name of firm _______________________	____________________________________ (Authorized Signature)
Address ____________________________	Name _______________________________ (Please Print)
___________________________________ (Include Zip Code)	Title_______________________________
Area Code and Tel. No. _____________	Dated _______________________ , 1998

DO NOT SEND SECURITIES WITH THIS FORM. ACTUAL SURRENDER OF SECURITIES MUST BE MADE PURSUANT TO, AND BE ACCOMPANIED BY, AN EXECUTED LETTER OF TRANSMITTAL.

INSTRUCTIONS FOR NOTICE OF GUARANTEED DELIVERY

1. Delivery of this Notice of Guaranteed Delivery. A properly completed and duly executed copy of this Notice of Guaranteed Delivery and any other documents required by this Notice of Guaranteed Delivery must be received by the Exchange Agent at its address set forth herein prior to the Expiration Date. The method of delivery of this Notice of Guaranteed Delivery and any other required documents to the Exchange Agent is at the election and sole risk of the holder, and the delivery will be deemed made only when actually received by the Exchange Agent. If delivery is by mail, registered mail with return receipt requested, properly insured, is recommended. As an alternative to delivery by mail, the holders may wish to consider using an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure timely delivery. For a description of the guaranteed delivery procedures, see Instruction 2 of the Letter of Transmittal.

2. Signatures on this Notice of Guaranteed Delivery. If this Notice of Guaranteed Delivery is signed by the registered holder(s) of the Notes referred to herein, the signature must correspond with the name(s) written on the face of the Notes without alteration, enlargement, or any change whatsoever. If this Notice of Guaranteed Delivery is signed by a participant of the Book-Entry Transfer Facility whose name appears on a security position listing as the owner of the Notes, the signature must correspond with the name shown on the security position listing as the owner of the Notes.

If this Notice of Guaranteed Delivery is signed by a person other than the registered holder(s) of any Notes listed or a participant of the Book-Entry Transfer Facility, this Notice of Guaranteed Delivery must be accompanied by appropriate bond powers, signed as the name of the registered holder(s) appears on the Notes or signed as the name of the participant shown on the Book-Entry Transfer Facility's security position listing.

If this Notice of Guaranteed Delivery is signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation, or other person acting in a fiduciary or representative capacity, such person should so indicate when signing and submit with the Letter of Transmittal evidence satisfactory to the Company of such person's authority to so act.

3. Requests for Assistance or Additional Copies. Questions and requests for assistance and requests for additional copies of the Prospectus may be directed to the Exchange Agent at the address specified herein. Holders may also contact their broker, dealer, commercial bank, trust company, or other nominee for assistance concerning the Exchange Offer.