

CHANGE OF CONTROL AGREEMENT

This Agreement is between the city of Milwaukee, Wisconsin (the "City") and Time Warner Cable of Southeastern Wisconsin, LP (the "Franchisee").

Recitals

A. The Franchisee is the holder of a franchise (the "Franchise") to provide cable television service in the City, subject to the provisions of a franchise agreement between the City and the Franchisee effective January 1, 2000, (together with any amendments, the "Franchise Agreement") and subject to Chapter 99, Milwaukee Code of Ordinances, (the "Cable Ordinance"). The Franchise Agreement and the Cable Ordinance are collectively referred to as the "Franchise Documents."

B. Time Warner Inc. has submitted to the City an FCC Form 394 Application for Franchise Authority Consent to Assignment or Transfer of Control of Cable Television Franchise, dated February 29, 2000 (the "Application"), requesting the City to consent, if it concludes that a change of control of the Franchisee from Time Warner Inc. to AOL-Time Warner Inc. (the "Change of Control") will result from the transactions associated with the Agreement and Plan of Merger dated January 10, 2000 (the "Transaction").

C. Pursuant to the request of the City, Time Warner, Inc. has provided supplemental information to the Milwaukee Regional Cable Commission on behalf of the City in support of the Application, including representations that the Transaction is not expected to reduce the quality of cable television customer service or the quality of cable television service.

D. The Franchisee will remain the holder of the Franchise upon consummation of the Change of Control.

E. The City has concluded that the Transaction will result in a Change of Control that requires the prior consent of the City pursuant to Chapter 99-4-5, Milwaukee Code of Ordinances.

F. The City has enacted or will enact a Resolution granting its approval of the Change of Control subject to the condition that the Franchisee enter into this Change of Control Agreement.

G. The City has determined that, in light of the facts available to it and the limited time within which to review the Application, it would not be appropriate to approve the Change of Control absent certain agreements by the Franchisee, including certain promises to ensure compliance with the provisions of the Franchise Documents. The Franchisee agrees that it is appropriate to make such agreements, subject to the City's approval of the Change of Control Agreement.

NOW THEREFORE, the City and the Franchisee agree as follows:

ARTICLE I. INCORPORATION OF RECITALS.

1.1 Recitals. The above Recitals are incorporated into and constitute a part of this Agreement.

ARTICLE II. AFFIRMATION OF FRANCHISE OBLIGATIONS.

2.1 Affirmation. The Franchisee acknowledges and agrees that: (a) after the Change of Control, the Franchisee will continue to be bound by all of its commitments, duties and obligations under the Franchise Documents; and (b) neither the Change of Control nor the City's approval of the Change of Control shall in any respect relieve the Franchisee of any responsibility it may have for past acts or omissions, whether known or unknown, relating to the Franchise. The Franchisee hereby reaffirms that it will be liable for, and accept the consequences of, any responsibility it may have for such acts and omissions, including liability for any accrued but unfulfilled obligation to the City under the Franchise Documents and applicable law, to the same extent as if the Change of Control had not taken place.

ARTICLE III. ADDITIONAL AGREEMENTS OF THE PARTIES.

3.1 Compliance With Franchise. The Franchisee agrees that it will continue to be bound by the lawful obligations of this Agreement and the Franchise Documents.

3.2 No Waiver. The Franchisee agrees that, by the City consenting to the Change of Control and the execution of this Agreement, the City is not waiving any of its rights or prospective rights with respect to enforcement of the Franchisee's compliance with the terms and conditions set forth in the Franchise Documents, including without limitation:

(a) Renewal of Franchise. The Franchisee agrees that the City has made no agreement that the Franchise will be renewed or extended; any renewal or extension of the Franchise shall be subject to applicable federal, state and local laws, the Franchise Documents, and this Agreement;

(b) Future Change of Controls/Transfers. The Franchisee agrees that (1) any other change of control of the Franchisee, (2) any pending or future transfer of the Franchise, or (3) any pending or future assignment or delegation of any of the Franchisee's rights or duties under the Franchise will be subject to the review and approval of the City in accordance with any then applicable federal, state and local laws, the Franchise Documents, and this Agreement;

(c) Past Defaults. The Franchisee shall not contend that the City is barred, by reason of the Change of Control, from considering or raising any lawful claim it may have based on the Franchisee's past or present failure to comply with any term or condition of the

Franchise Documents or applicable law, including, without limitation: any unpaid franchise fees due the City from the Franchisee; any unpaid support for public, educational, or governmental access channels; any known and unresolved consumer complaints; and any construction, security or facility requirements of the Franchise Documents that are unsatisfied; and

(d) Franchisee's Compliance. The City's approval of the Change of Control shall in no way be deemed a representation by the City that the Franchisee is in compliance or not in compliance with its obligations under the Franchise Documents.

ARTICLE IV. MISCELLANEOUS.

4.1 Binding Agreement. This Agreement shall be binding upon and inure to the benefit of the parties and their permitted successors and assigns.

4.2 Survival of Warranties and Representations. The warranties and representations of the Franchisee shall survive the closing of the Transaction.

4.3 Assignment. The rights and obligations of any party under this Agreement may not be assigned or delegated without the prior written approval of the other party.

4.4 Waiver. No waiver of any provision of this Agreement shall be deemed to be a waiver of any other provision of this Agreement nor shall any waiver be deemed to be a continuing waiver except as otherwise expressly stated in writing by the waiving party.

4.5 Severability. If any provision of this Agreement shall be held to be unenforceable, this Agreement shall be construed with the unenforceable provision deleted, and the rights and obligations of the parties shall be construed and enforced accordingly.

4.6 Governing Law. This Agreement shall be governed by the internal laws (without reference to conflict of laws) of the State of Wisconsin.

4.7 Drafting. This Agreement is a product of negotiation between the parties and shall not be construed against any party on grounds relating to drafting, revision, review or recommendation by any agent or representative of such party.

4.8 Time of the Essence. Time is of the essence to this Agreement.

4.9 Authority. Each signatory to this Agreement represents that he or she has the authority to enter into this Agreement.

4.10 Effective Date. This Agreement may be executed in multiple counterparts no later than June 30, 2000 and shall be deemed effective as of the closing date of the Transaction.

Executed at Milwaukee, Wisconsin this _____ day of _____, 2000.

As to the City of Milwaukee

By: _____
John O. Norquist
Mayor

By: _____
Ronald D. Leonhardt
City Clerk

Countersigned:

By: _____
W. Martin Morics
Comptroller

As to Franchisee:
Time Warner Cable
of Southeastern Wisconsin, LP

By: _____
Thomas Sharrard
President

Attest:

By: _____
Secretary

Approved as to content this _____ day of _____, 2000

Grant Langley
City Attorney

By: _____
Patrick B. McDonnell
Special Deputy City Attorney

Approved as to execution this _____ day of _____, 2000

Grant Langley
City Attorney

By: _____
Patrick B. McDonnell