UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2005

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____to _____

Commission file number: 000-27927

Charter Communications, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**43-1857213**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification Number)*

12405 Powerscourt Drive
St. Louis, Missouri 63131
(Address of principal executive offices including zip code)

(314) 965-0555
(Registrant's telephone number, including area code)

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

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). YES [X] NO [ ]

Number of shares of Class A common stock outstanding as of September 30, 2005: 348,576,466
Number of shares of Class B common stock outstanding as of September 30, 2005: 50,000

Charter Communications, Inc.
Quarterly Report on Form 10-Q for the Period ended September 30, 2005

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This quarterly report on Form 10-Q is for the three and nine months ended September 30, 2005. The Securities and Exchange Commission ("SEC") allows us to "incorporate by reference" information that we file with the SEC, which means that we can disclose important information to you by referring you directly to those documents. Information incorporated by reference is considered to be part of this quarterly report. In addition, information that we file with the SEC in the future will automatically update and supersede information contained in this quarterly report. In this quarterly report, "we," "us" and "our" refer to Charter Communications, Inc., Charter Communications Holding Company, LLC and their subsidiaries.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS:

This quarterly report includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), regarding, among other things, our plans, strategies and prospects, both business and financial including, without limitation, the forward-looking statements set forth in the "Results of Operations" and "Liquidity and Capital Resources" sections under Part I, Item 2. "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this quarterly report. Although we believe that our plans, intentions and expectations reflected in or suggested by these forward-looking statements are reasonable, we cannot assure you that we will achieve or realize these plans, intentions or expectations. Forward-looking statements are inherently subject to risks, uncertainties and assumptions including, without limitation, the factors described under "Certain Trends and Uncertainties" under Part I, Item 2. "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this quarterly report. Many of the forward-looking statements contained in this quarterly report may be identified by the use of forward-looking words such as "believe," "expect," "anticipate," "should," "planned," "will," "may," "intend," "estimated" and "potential" among others. Important factors that could cause actual results to differ materially from the forward-looking statements we make in this quarterly report are set forth in this quarterly report and in other reports or documents that we file from time to time with the SEC, and include, but are not limited to:

- the availability, in general, of funds to meet interest payment obligations under our debt and to fund our operations and necessary capital expenditures, either through cash flows from operating activities, further borrowings or other sources and, in particular, our ability to be able to provide under applicable debt instruments such funds (by dividend, investment or otherwise) to the applicable obligor of such debt;
- our ability to sustain and grow revenues and cash flows from operating activities by offering video, high-speed Internet, telephone and other services and to maintain and grow a stable customer base, particularly in the face of increasingly aggressive competition from other service providers;
- our ability to comply with all covenants in our indentures, the Bridge Loan and credit facilities, any violation of which would result in a violation of the applicable facility or indenture and could trigger a default of other obligations under cross-default provisions;
- our ability to pay or refinance debt prior to or when it becomes due and/or to take advantage of market opportunities and market windows to refinance that debt in the capital markets through new issuances, exchange offers or otherwise, including restructuring our balance sheet and leverage position;
- our ability to obtain programming at reasonable prices or to pass programming cost increases on to our customers;
- general business conditions, economic uncertainty or slowdown; and
- the effects of governmental regulation, including but not limited to local franchise authorities, on our business.

All forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by this cautionary statement. We are under no duty or obligation to update any of the forward-looking statements after the date of this quarterly report.

PART I. FINANCIAL INFORMATION.

Item 1. Financial Statements.

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders
Charter Communications, Inc.:

We have reviewed the condensed consolidated balance sheet of Charter Communications, Inc. and subsidiaries (the "Company") as of September 30, 2005, the related condensed consolidated statements of operations for the three-month and nine-month periods ended September 30, 2005 and 2004, and the related condensed consolidated statements of cash flows for the nine-month periods ended September 30, 2005 and 2004. These condensed consolidated financial statements are the responsibility of the Company's management.

We conducted our reviews in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the condensed consolidated financial statements referred to above for them to be in conformity with U.S. generally accepted accounting principles.

We have previously audited, in accordance with standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of the Company as of December 31, 2004, and the related consolidated statements of operations, changes in shareholders' equity (deficit), and cash flows for the year then ended (not presented herein); and in our report dated March 1, 2005, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 2004, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

As discussed in Note 4 to the condensed consolidated financial statements, effective September 30, 2004, the Company adopted EITF Topic D-108, *Use of the Residual Method to Value Acquired Assets Other than Goodwill.*

/s/ KPMG LLP

St. Louis, Missouri
October 31, 2005

CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(DOLLARS IN MILLIONS, EXCEPT SHARE DATA)

	September 30, 2005 (Unaudited)	December 31, 2004
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 22	$ 650
Accounts receivable, less allowance for doubtful accounts of $15 and $15, respectively	188	190
Prepaid expenses and other current assets	80	82
Total current assets	290	922
INVESTMENT IN CABLE PROPERTIES:		
Property, plant and equipment, net of accumulated depreciation of $6,393 and $5,311, respectively	5,936	6,289
Franchises, net	9,830	9,878
Total investment in cable properties, net	15,766	16,167
OTHER NONCURRENT ASSETS	468	584
Total assets	$ 16,524	$ 17,673
LIABILITIES AND SHAREHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	$ 1,172	$ 1,217
Total current liabilities	1,172	1,217
LONG-TERM DEBT	19,120	19,464
DEFERRED MANAGEMENT FEES - RELATED PARTY	14	14
OTHER LONG-TERM LIABILITIES	504	681
MINORITY INTEREST	665	648
PREFERRED STOCK - REDEEMABLE; $.001 par value; 1 million shares authorized; 545,259 shares issued and outstanding	55	55
SHAREHOLDERS' DEFICIT:		
Class A Common stock; $.001 par value; 1.75 billion shares authorized; 348,576,466 and 305,203,770 shares issued and outstanding, respectively	--	--
Class B Common stock; $.001 par value; 750 million shares authorized; 50,000 shares issued and outstanding	--	--
Preferred stock; $.001 par value; 250 million shares authorized; no non-redeemable shares issued and outstanding	--	--
Additional paid-in capital	4,821	4,794
Accumulated deficit	(9,830)	(9,196)
Accumulated other comprehensive income (loss)	3	(4)
Total shareholders' deficit	(5,006)	(4,406)
Total liabilities and shareholders' deficit	$ 16,524	$ 17,673

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

CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(DOLLARS IN MILLIONS, EXCEPT SHARE AND PER SHARE DATA)
Unaudited

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	**2004**	**2005**	**2004**
REVENUES	$ 1,318	$ 1,248	$ 3,912	$ 3,701
COSTS AND EXPENSES:				
Operating (excluding depreciation and amortization)	586	525	1,714	1,552
Selling, general and administrative	269	252	762	735
Depreciation and amortization	375	371	1,134	1,105
Impairment of franchises	--	2,433	--	2,433
Asset impairment charges	--	--	39	--
(Gain) loss on sale of assets, net	1	--	5	(104)
Option compensation expense, net	3	8	11	34
Hurricane asset retirement loss	19	--	19	--
Special charges, net	2	3	4	100
	1,255	3,592	3,688	5,855
Income (loss) from operations	63	(2,344)	224	(2,154)
OTHER INCOME AND EXPENSES:				
Interest expense, net	(462)	(424)	(1,333)	(1,227)
Gain (loss) on derivative instruments and hedging activities, net	17	(8)	43	48
Loss on debt to equity conversions	--	--	--	(23)
Gain (loss) on extinguishment of debt	490	--	498	(21)
Gain on investments	--	--	21	--
	45	(432)	(771)	(1,223)
Income (loss) before minority interest, income taxes and cumulative effect of accounting change	108	(2,776)	(547)	(3,377)
MINORITY INTEREST	(3)	34	(9)	24
Income (loss) before income taxes and cumulative effect of accounting change	105	(2,742)	(556)	(3,353)
INCOME TAX BENEFIT (EXPENSE)	(29)	213	(75)	116
Income (loss) before cumulative effect of accounting change	76	(2,529)	(631)	(3,237)
CUMULATIVE EFFECT OF ACCOUNTING CHANGE, NET OF TAX	--	(765)	--	(765)
Net income (loss)	76	(3,294)	(631)	(4,002)
Dividends on preferred stock - redeemable	(1)	(1)	(3)	(3)
Net income (loss) applicable to common stock	$ 75	$ (3,295)	$ (634)	$ (4,005)
EARNINGS (LOSS) PER COMMON SHARE:				
Basic	$ 0.24	$ (10.89)	$ (2.06)	$ (13.38)
Diluted	$ 0.09	$ (10.89)	$ (2.06)	$ (13.38)
Weighted average common shares outstanding, basic	316,214,740	302,604,978	307,761,930	299,411,053
Weighted average common shares outstanding, diluted	1,012,591,842	302,604,978	307,761,930	299,411,053

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

CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(DOLLARS IN MILLIONS)
Unaudited

	Nine Months Ended September 30,	
	2005	**2004**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (631)	$ (4,002)
Adjustments to reconcile net loss to net cash flows from operating activities:		
Minority interest	9	(24)
Depreciation and amortization	1,134	1,105
Asset impairment charges	39	--
Impairment of franchises	--	2,433
Option compensation expense, net	11	30
Hurricane asset retirement loss	19	--
Special charges, net	--	85
Noncash interest expense	188	237
Gain on derivative instruments and hedging activities, net	(43)	(48)
(Gain) loss on sale of assets, net	5	(104)
Loss on debt to equity conversions	--	23
(Gain) loss on extinguishment of debt	(504)	18
Gain on investments	(21)	--
Deferred income taxes	71	(119)
Cumulative effect of accounting change, net of tax	--	765
Other, net	--	(1)
Changes in operating assets and liabilities, net of effects from dispositions:		
Accounts receivable	(3)	1
Prepaid expenses and other assets	85	2
Accounts payable, accrued expenses and other	(241)	(18)
Net cash flows from operating activities	118	383
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(815)	(639)
Change in accrued expenses related to capital expenditures	36	(23)
Proceeds from sale of assets	38	729
Purchases of investments	(3)	(15)
Proceeds from investments	17	--
Other, net	(2)	(2)
Net cash flows from investing activities	(729)	50
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings of long-term debt	897	2,873
Repayments of long-term debt	(1,141)	(4,707)
Proceeds from issuance of debt	294	1,500
Payments for debt issuance costs	(67)	(97)
Net cash flows from financing activities	(17)	(431)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(628)	2
CASH AND CASH EQUIVALENTS, beginning of period	650	127
CASH AND CASH EQUIVALENTS, end of period	$ 22	$ 129
CASH PAID FOR INTEREST	$ 1,170	$ 824
NONCASH TRANSACTIONS:		
Issuance of debt by CCH I Holdings, LLC	$ 2,423	$ --
Issuance of debt by CCH I, LLC	$ 3,686	$ --
Issuance of debt by Charter Communications Operating, LLC	$ 333	$ --
Retirement of Charter Communications Holdings, LLC debt	$ (7,000)	$ --
Debt exchanged for Charter Class A common stock	$ --	$ 30

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

1. Organization and Basis of Presentation

Charter Communications, Inc. ("Charter") is a holding company whose principal assets at September 30, 2005 are the 48% controlling common equity interest in Charter Communications Holding Company, LLC ("Charter Holdco") and "mirror" notes which are payable by Charter Holdco to Charter and have the same principal amount and terms as those of Charter's convertible senior notes. Charter Holdco is the sole owner of CCHC, LLC, which is the sole owner of Charter Communications Holdings, LLC ("Charter Holdings"). The condensed consolidated financial statements include the accounts of Charter, Charter Holdco, Charter Holdings and all of their subsidiaries where the underlying operations reside, which are collectively referred to herein as the "Company." Charter consolidates Charter Holdco on the basis of voting control. Charter Holdco's limited liability company agreement provides that so long as Charter's Class B common stock retains its special voting rights, Charter will maintain a 100% voting interest in Charter Holdco. Voting control gives Charter full authority and control over the operations of Charter Holdco. All significant intercompany accounts and transactions among consolidated entities have been eliminated. The Company is a broadband communications company operating in the United States. The Company offers its customers traditional cable video programming (analog and digital video) as well as high-speed Internet services and, in some areas, advanced broadband services such as high definition television, video on demand and telephone. The Company sells its cable video programming, high-speed Internet and advanced broadband services on a subscription basis. The Company also sells local advertising on satellite-delivered networks.

The accompanying condensed consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and the rules and regulations of the Securities and Exchange Commission (the "SEC"). Accordingly, certain information and footnote disclosures typically included in Charter's Annual Report on Form 10-K have been condensed or omitted for this quarterly report. The accompanying condensed consolidated financial statements are unaudited and are subject to review by regulatory authorities. However, in the opinion of management, such financial statements include all adjustments, which consist of only normal recurring adjustments, necessary for a fair presentation of the results for the periods presented. Interim results are not necessarily indicative of results for a full year. The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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. Areas involving significant judgments and estimates include capitalization of labor and overhead costs; depreciation and amortization costs; impairments of property, plant and equipment, franchises and goodwill; income taxes; and contingencies. Actual results could differ from those estimates.

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Reclassifications

Certain 2004 amounts have been reclassified to conform with the 2005 presentation.

2. Liquidity and Capital Resources

The Company had net income applicable to common stock of $75 million for the three months ended September 30, 2005. The Company incurred net loss applicable to common stock of $634 million for the nine months ended September 30, 2005 and $3.3 billion and $4.0 billion for the three and nine months ended September 30, 2004, respectively. The Company's net cash flows from operating activities were $118 million and $383 million for the nine months ended September 30, 2005 and 2004, respectively.

The Company has a significant level of debt. The Company's long-term financing as of September 30, 2005 consists of $5.5 billion of credit facility debt, $12.7 billion accreted value of high-yield notes and $866 million accreted value of convertible senior notes. For the remainder of 2005, $7 million of the Company's debt matures, and in 2006, an additional $55 million of the Company's debt matures. In 2007 and beyond, significant additional amounts will become due under the Company's remaining long-term debt obligations.

In September 2005, Charter Holdings and its wholly owned subsidiaries, CCH I, LLC ("CCH I") and CCH I Holdings, LLC ("CIH"), completed the exchange of approximately $6.8 billion total principal amount of outstanding debt securities of Charter Holdings in a private placement for new debt securities. Holders of Charter Holdings notes due in 2009 and 2010 exchanged $3.4 billion principal amount of notes for $2.9 billion principal amount of new 11% CCH I senior secured notes due 2015. Holders of Charter Holdings notes due 2011 and 2012 exchanged $845 million principal amount of notes for $662 million principal amount of 11% CCH I senior secured notes due 2015. In addition, holders of Charter Holdings notes due 2011 and 2012 exchanged $2.5 billion principal amount of notes for $2.5 billion principal amount of various series of new CIH notes. Each series of new CIH notes has the same stated interest rate and provisions for payment of cash interest as the series of old Charter Holdings notes for which such CIH notes were exchanged. In addition, the maturities for each series were extended three years. See Note 6 for discussion of transaction and related financial statement impact.

The Company has historically required significant cash to fund debt service costs, capital expenditures and ongoing operations. Historically, the Company has funded these requirements through cash flows from operating activities, borrowings under its credit facilities, sales of assets, issuances of debt and equity securities and from cash on hand. However, the mix of funding sources changes from period to period. For the nine months ended September 30, 2005, the Company generated $118 million of net cash flows from operating activities, after paying cash interest of $1.2 billion. In addition, the Company used approximately $815 million for purchases of property, plant and equipment. Finally, the Company had net cash flows used in financing activities of $17 million.

In October 2005, CCO Holdings, LLC ("CCO Holdings") and CCO Holdings Capital Corp., as guarantor thereunder, entered into a senior bridge loan agreement (the "Bridge Loan") with JPMorgan Chase Bank, N.A., Credit Suisse, Cayman Islands Branch and Deutsche Bank AG Cayman Islands Branch (the "Lenders") whereby the Lenders have committed to make loans to CCO Holdings in an aggregate amount of $600 million. CCO Holdings may draw upon the facility between January 2, 2006 and September 29, 2006 and the loans will mature on the sixth anniversary of the first borrowing under the Bridge Loan.

The Company expects that cash on hand, cash flows from operating activities and the amounts available under its credit facilities and Bridge Loan will be adequate to meet its cash needs for the remainder of 2005 and 2006. Cash flows from operating activities and amounts available under the Company's credit facilities and Bridge Loan may not be sufficient to fund the Company's operations and satisfy its interest payment obligations in 2007. It is likely that the Company will require additional funding to satisfy its debt repayment obligations in 2007. The Company believes that cash flows from operating activities and amounts available under its credit facilities and Bridge Loan will not be sufficient to fund its operations and satisfy its interest and principal repayment obligations thereafter.

The Company is working with its financial advisors to address its funding requirements. However, there can be no assurance that such funding will be available to the Company. Although Paul G. Allen, Charter's Chairman and controlling shareholder, and his affiliates have purchased equity from the Company in the past, Mr. Allen and his affiliates are not obligated to purchase equity from, contribute to or loan funds to the Company in the future.

Credit Facilities and Covenants

The Company's ability to operate depends upon, among other things, its continued access to capital, including credit under the Charter Communications Operating, LLC ("Charter Operating") credit facilities. These credit facilities, along with the Company's indentures and Bridge Loan, contain certain restrictive covenants, some of which require the Company to maintain specified financial ratios and meet financial tests and to provide audited financial statements with an unqualified opinion from the Company's independent auditors. As of September 30, 2005, the Company is in compliance with the covenants under its indentures and credit facilities and the Company expects to remain in compliance with those covenants and the Bridge Loan covenants for the next twelve months. The Company's total potential borrowing availability under the current credit facilities totaled $786 million as of September 30, 2005, although the actual availability at that time was only $648 million because of limits imposed by covenant restrictions. In addition, effective January 2, 2006, the Company will have additional borrowing availability of $600 million as a result of the Bridge Loan. Continued access to the Company's credit facilities and Bridge Loan is subject to the

Company remaining in compliance with the covenants of these credit facilities and Bridge Loan, including covenants tied to the Company's operating performance. If the Company's operating performance results in non-compliance with these covenants, or if any of certain other events of non-compliance under these credit facilities, Bridge Loan or indentures governing the Company's debt occur, funding under the credit facilities and Bridge Loan may not be available and defaults on some or potentially all of the Company's debt obligations could occur. An event of default under the covenants governing any of the Company's debt instruments could result in the acceleration of its payment obligations under that debt and, under certain circumstances, in cross-defaults under its other debt obligations, which could have a material adverse effect on the Company's consolidated financial condition or results of operations.

Specific Limitations

Charter's ability to make interest payments on its convertible senior notes, and, in 2006 and 2009, to repay the outstanding principal of its convertible senior notes of $25 million and $863 million, respectively, will depend on its ability to raise additional capital and/or on receipt of payments or distributions from Charter Holdco or its subsidiaries, including Charter Holdings, CIH, CCH I, CCH II, LLC ("CCH II"), CCO Holdings and Charter Operating. During the nine months ended September 30, 2005, Charter Holdings distributed $60 million to Charter Holdco. As of September 30, 2005, Charter Holdco was owed $57 million in intercompany loans from its subsidiaries, which amount was available to pay interest and principal on Charter's convertible senior notes. In addition, Charter has $123 million of governmental securities pledged as security for the next five semi-annual interest payments on Charter's 5.875% convertible senior notes.

Distributions by Charter's subsidiaries to a parent company (including Charter and Charter Holdco) for payment of principal on parent company notes are restricted by the Bridge Loan and indentures governing the CIH notes, CCH I notes, CCH II notes, CCO Holdings notes, and Charter Operating notes, unless under their respective indentures there is no default and a specified leverage ratio test is met at the time of such event. For the quarter ended September 30, 2005, there was no default under any of the aforementioned indentures. However, CCO Holdings did not meet its leverage ratio test of 4.5 to 1.0. As a result, distributions from CCO Holdings to CCH II, CCH I, CIH, Charter Holdings, Charter Holdco or Charter for payment of principal of the respective parent company's debt are currently restricted and will continue to be restricted until that test is met. However distributions for payment of the respective parent company's interest are permitted.

The indentures governing the Charter Holdings notes permit Charter Holdings to make distributions to Charter Holdco for payment of interest or principal on the convertible senior notes, only if, after giving effect to the distribution, Charter Holdings can incur additional debt under the leverage ratio of 8.75 to 1.0, there is no default under Charter Holdings' indentures and other specified tests are met. For the quarter ended September 30, 2005, there was no default under Charter Holdings' indentures and other specified tests were met. However, Charter Holdings did not meet the leverage ratio of 8.75 to 1.0 based on September 30, 2005 financial results. As a result, distributions from Charter Holdings to Charter or Charter Holdco for payment of interest or principal on the convertible senior notes are currently restricted and will continue to be restricted until that test is met. During this restriction period, the indentures governing the Charter Holdings notes permit Charter Holdings and its subsidiaries to make specified investments in Charter Holdco or Charter, up to an amount determined by a formula, as long as there is no default under the indentures.

3. Sale of Assets

In July 2005, the Company closed the sale of certain cable systems in Texas and West Virginia and closed the sale of an additional cable system in Nebraska in October 2005, representing a total of approximately 33,000 customers. During the nine months ended September 30, 2005, those cable systems met the criteria for assets held for sale under Statement of Financial Accounting Standards ("SFAS") No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*. As such, the assets were written down to fair value less estimated costs to sell resulting in asset impairment charges during the nine months ended September 30, 2005 of approximately $39 million. At September 30, 2005 assets held for sale, included in investment in cable properties, are approximately $7 million.

In March 2004, the Company closed the sale of certain cable systems in Florida, Pennsylvania, Maryland, Delaware and West Virginia to Atlantic Broadband Finance, LLC. The Company closed the sale of an additional cable system in New York to Atlantic Broadband Finance, LLC in April 2004. These transactions resulted in a $106 million pretax gain recorded as a gain on sale of assets in the Company's consolidated statements of operations. The total net proceeds from the sale of all of these systems were approximately $735 million. The proceeds were used to repay a portion of amounts outstanding under the Company's revolving credit facility.

Gain on investments for the nine months ended September 30, 2005 primarily represents a gain realized on an exchange of the Company's interest in an equity investee for an investment in a larger enterprise.

4. Franchises and Goodwill

Franchise rights represent the value attributed to agreements with local authorities that allow access to homes in cable service areas acquired through the purchase of cable systems. Management estimates the fair value of franchise rights at the date of acquisition and determines if the franchise has a finite life or an indefinite-life as defined by SFAS No. 142, *Goodwill and Other Intangible Assets*. Franchises that qualify for indefinite-life treatment under SFAS No. 142 are tested for impairment annually each October 1 based on valuations, or more frequently as warranted by events or changes in circumstances. Such test resulted in a total franchise impairment of approximately $3.3 billion during the third quarter of 2004. The October 1, 2005 annual impairment test will be finalized in the fourth quarter of 2005 and any impairment resulting from such test will be recorded in the fourth quarter. Franchises are aggregated into essentially inseparable asset groups to conduct the valuations. The asset groups generally represent geographic clustering of the Company's cable systems into groups by which such systems are managed. Management believes such grouping represents the highest and best use of those assets.

The Company's valuations, which are based on the present value of projected after tax cash flows, result in a value of property, plant and equipment, franchises, customer relationships and its total entity value. The value of goodwill is the difference between the total entity value and amounts assigned to the other assets.

Franchises, for valuation purposes, are defined as the future economic benefits of the right to solicit and service potential customers (customer marketing rights), and the right to deploy and market new services such as interactivity and telephone to the potential customers (service marketing rights). Fair value is determined based on estimated discounted future cash flows using assumptions consistent with internal forecasts. The franchise after-tax cash flow is calculated as the after-tax cash flow generated by the potential customers obtained and the new services added to those customers in future periods. The sum of the present value of the franchises' after-tax cash flow in years 1 through 10 and the continuing value of the after-tax cash flow beyond year 10 yields the fair value of the franchise.

The Company follows the guidance of Emerging Issues Task Force ("EITF") Issue 02-17, *Recognition of Customer Relationship Intangible Assets Acquired in a Business Combination*, in valuing customer relationships. Customer relationships, for valuation purposes, represent the value of the business relationship with existing customers and are calculated by projecting future after-tax cash flows from these customers including the right to deploy and market additional services such as interactivity and telephone to these customers. The present value of these after-tax cash flows yields the fair value of the customer relationships. Substantially all acquisitions occurred prior to January 1, 2002. The Company did not record any value associated with the customer relationship intangibles related to those acquisitions. For acquisitions subsequent to January 1, 2002 the Company did assign a value to the customer relationship intangible, which is amortized over its estimated useful life.

In September 2004, the SEC staff issued EITF Topic D-108 which requires the direct method of separately valuing all intangible assets and does not permit goodwill to be included in franchise assets. The Company adopted Topic D-108 in its impairment assessment as of September 30, 2004 that resulted in a total franchise impairment of approximately $3.3 billion. The Company recorded a cumulative effect of accounting change of $765 million (approximately $875 million before tax effects of $91 million and minority interest effects of $19 million) for the nine months ended September 30, 2004 representing the portion of the Company's total franchise impairment attributable to no longer including goodwill with franchise assets. The effect of the adoption was to increase net loss and loss per share by

$765 million and $2.55, respectively, for the nine months ended September 30, 2004. The remaining $2.4 billion of the total franchise impairment was attributable to the use of lower projected growth rates and the resulting revised estimates of future cash flows in the Company's valuation, and was recorded as impairment of franchises in the Company's accompanying consolidated statements of operations for the nine months ended September 30, 2004. Sustained analog video customer losses by the Company in the third quarter of 2004 primarily as a result of increased competition from direct broadcast satellite providers and decreased growth rates in the Company's high-speed Internet customers in the third quarter of 2004, in part, as a result of increased competition from digital subscriber line service providers led to the lower projected growth rates and the revised estimates of future cash flows from those used at October 1, 2003.

As of September 30, 2005 and December 31, 2004, indefinite-lived and finite-lived intangible assets are presented in the following table:

	September 30, 2005			December 31, 2004		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Indefinite-lived intangible assets:						
Franchises with indefinite lives	$ 9,797	$ --	$ 9,797	$ 9,845	$ --	$ 9,845
Goodwill	52	--	52	52	--	52
	$ 9,849	$ --	$ 9,849	$ 9,897	$ --	$ 9,897
Finite-lived intangible assets:						
Franchises with finite lives	$ 40	$ 7	$ 33	$ 37	$ 4	$ 33

Franchises with indefinite lives decreased $39 million as a result of the asset impairment charges recorded related to three cable asset sales and $9 million as a result of the closing of two of the cable asset sales in July 2005 (see Note 3). Franchise amortization expense for the three and nine months ended September 30, 2005 and 2004 was $1 million and $3 million, respectively, which represents the amortization relating to franchises that did not qualify for indefinite-life treatment under SFAS No. 142, including costs associated with franchise renewals. The Company expects that amortization expense on franchise assets will be approximately $3 million annually for each of the next five years. Actual amortization expense in future periods could differ from these estimates as a result of new intangible asset acquisitions or divestitures, changes in useful lives and other relevant factors.

5. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consist of the following as of September 30, 2005 and December 31, 2004:

	September 30, 2005	December 31, 2004
Accounts payable - trade	$ 84	$ 148
Accrued capital expenditures	101	65
Accrued expenses:		
Interest	298	324
Programming costs	287	278
Franchise-related fees	56	67
Compensation	85	66
Other	261	269
	$ 1,172	$ 1,217

6. Long-Term Debt

Long-term debt consists of the following as of September 30, 2005 and December 31, 2004:

	September 30, 2005		December 31, 2004	
	Principal Amount	Accreted Value	Principal Amount	Accreted Value
Long-Term Debt				
Charter Communications, Inc.:				
4.75% convertible senior notes due 2006	$ 25	$ 25	$ 156	$ 156
5.875% convertible senior notes due 2009	863	841	863	834
Charter Communications Holdings, LLC:				
8.250% senior notes due 2007	105	105	451	451
8.625% senior notes due 2009	292	292	1,244	1,243
9.920% senior discount notes due 2011	198	198	1,108	1,108
10.000% senior notes due 2009	154	154	640	640
10.250% senior notes due 2010	49	49	318	318
11.750% senior discount notes due 2010	43	43	450	448
10.750% senior notes due 2009	131	131	874	874
11.125% senior notes due 2011	217	217	500	500
13.500% senior discount notes due 2011	94	91	675	589
9.625% senior notes due 2009	107	107	640	638
10.000% senior notes due 2011	137	136	710	708
11.750% senior discount notes due 2011	125	116	939	803
12.125% senior discount notes due 2012	113	97	330	259
CCH I Holdings, LLC:				
11.125% senior notes due 2014	151	151	--	--
9.920% senior discount notes due 2014	471	471	--	--
10.000% senior notes due 2014	299	299	--	--
11.750% senior discount notes due 2014	815	759	--	--
13.500% senior discount notes due 2014	581	559	--	--
12.125% senior discount notes due 2015	217	187	--	--
CCH I, LLC:				
11.00% senior notes due 2015	3,525	3,686	--	--
CCH II, LLC:				
10.250% senior notes due 2010	1,601	1,601	1,601	1,601
CCO Holdings, LLC:				
8¾% senior notes due 2013	800	794	500	500
Senior floating rate notes due 2010	550	550	550	550
Charter Communications Operating, LLC:				
8% senior second lien notes due 2012	1,100	1,100	1,100	1,100
8 3/8% senior second lien notes due 2014	733	733	400	400
Renaissance Media Group LLC:				
10.000% senior discount notes due 2008	114	115	114	116
CC V Holdings, LLC:				
11.875% senior discount notes due 2008	--	--	113	113
Credit Facilities				
Charter Operating	5,513	5,513	5,515	5,515
	$ 19,123	$ 19,120	$ 19,791	$ 19,464

The accreted values presented above represent the principal amount of the notes less the original issue discount at the time of sale plus the accretion to the balance sheet date. The accreted value of CIH notes and CCH I notes issued in exchange for Charter Holdings notes are recorded in accordance with generally accepted accounting principles ("GAAP"). GAAP requires that the CIH notes issued in exchange for Charter Holdings notes and the CCH I notes issued in exchange for the 8.625% Charter Holdings notes due 2009 be recorded at the historical book values of the Charter Holdings notes as opposed to the current accreted value for legal purposes and notes indenture purposes (the amount that is currently payable if the debt becomes immediately due). As of September 30, 2005, the accreted value of the Company's debt for legal purposes and notes indenture purposes is $18.6 billion.

In October 2005, CCO Holdings and CCO Holdings Capital Corp., as guarantor thereunder, entered into the Bridge Loan with the Lenders whereby the Lenders have committed to make loans to CCO Holdings in an aggregate amount of $600 million. CCO Holdings may draw upon the facility between January 2, 2006 and September 29, 2006 and the loans will mature on the sixth anniversary of the first borrowing under the Bridge Loan. Each loan will accrue interest at a rate equal to an adjusted LIBOR rate plus a spread. The spread will initially be 450 basis points and will increase (a) by an additional 25 basis points at the end of the six-month period following the date of the first borrowing, (b) by an additional 25 basis points at the end of each of the next two subsequent three month periods and (c) by 62.5 basis points at the end of each of the next two subsequent three-month periods. CCO Holdings will be required to prepay loans from the net proceeds from (i) the issuance of equity or incurrence of debt by Charter and its subsidiaries, with certain exceptions, and (ii) certain asset sales (to the extent not used for other purposes permitted under the Bridge Loan).

In August 2005, CCO Holdings issued $300 million in debt securities, the proceeds of which were used for general corporate purposes, including the payment of distributions to its parent companies, including Charter Holdings, to pay interest expense.

Gain (loss) on extinguishment of debt

In September 2005, Charter Holdings and its wholly owned subsidiaries, CCH I and CIH, completed the exchange of approximately $6.8 billion total principal amount of outstanding debt securities of Charter Holdings in a private placement for new debt securities. Holders of Charter Holdings notes due in 2009 and 2010 exchanged $3.4 billion principal amount of notes for $2.9 billion principal amount of new 11% CCH I senior secured notes due 2015. Holders of Charter Holdings notes due 2011 and 2012 exchanged $845 million principal amount of notes for $662 million principal amount of 11% CCH I senior secured notes due 2015. In addition, holders of Charter Holdings notes due 2011 and 2012 exchanged $2.5 billion principal amount of notes for $2.5 billion principal amount of various series of new CIH notes. Each series of new CIH notes has the same stated interest rate and provisions for payment of cash interest as the series of old Charter Holdings notes for which such CIH notes were exchanged. In addition, the maturities for each series were extended three years. The exchanges resulted in a net gain on extinguishment of debt of approximately $490 million for the three and nine months ended September 30, 2005.

In March and June 2005, Charter Operating consummated exchange transactions with a small number of institutional holders of Charter Holdings 8.25% senior notes due 2007 pursuant to which Charter Operating issued, in private placements, approximately $333 million principal amount of new notes with terms identical to Charter Operating's 8.375% senior second lien notes due 2014 in exchange for approximately $346 million of the Charter Holdings 8.25% senior notes due 2007. The exchanges resulted in gain on extinguishment of debt of approximately $10 million for the nine months ended September 30, 2005. The Charter Holdings notes received in the exchange were thereafter distributed to Charter Holdings and cancelled.

During the nine months ended September 30, 2005, the Company repurchased, in private transactions, from a small number of institutional holders, a total of $131 million principal amount of its 4.75% convertible senior notes due 2006. These transactions resulted in a net gain on extinguishment of debt of approximately $4 million for the nine months ended September 30, 2005.

In March 2005, Charter's subsidiary, CC V Holdings, LLC, redeemed all of its 11.875% notes due 2008, at 103.958% of principal amount, plus accrued and unpaid interest to the date of redemption. The total cost of redemption was approximately $122 million and was funded through borrowings under the Charter Operating credit facilities. The redemption resulted in a loss on extinguishment of debt for the nine months ended September 30, 2005 of approximately $5 million. Following such redemption, CC V Holdings, LLC and its subsidiaries (other than non-guarantor subsidiaries) guaranteed the Charter Operating credit facilities and granted a lien on all of their assets as to which a lien can be perfected under the Uniform Commercial Code by the filing of a financing statement.

7. Minority Interest and Equity Interest of Charter Holdco

Charter is a holding company whose primary assets are a controlling equity interest in Charter Holdco, the indirect owner of the Company's cable systems, and $866 million and $990 million at September 30, 2005 and December 31, 2004, respectively, of mirror notes that are payable by Charter Holdco to Charter and have the same principal amount and terms as those of Charter's convertible senior notes. Minority interest on the Company's consolidated balance sheets as of September 30, 2005 and December 31, 2004 primarily represents preferred membership interests in CC VIII, LLC ("CC VIII"), an indirect subsidiary of Charter Holdco, of $665 million and $656 million, respectively. As more fully described in Note 20, this preferred interest arises from the approximately $630 million of preferred membership units issued by CC VIII in connection with an acquisition in February 2000 and was the subject of a dispute between Charter and Mr. Allen, Charter's Chairman and controlling shareholder that was settled October 31, 2005. The Company is currently determining the impact of the settlement to be recorded in the fourth quarter of 2005. Due to the uncertainties that existed prior to October 31, 2005, related to the ultimate resolution, effective January 1, 2005, the Company ceased recognizing minority interest in earnings or losses of CC VIII for financial reporting purposes until such time as the resolution of the matter was determinable or other events occurred. For the three and nine months ended September 30, 2005, the Company's results include income of $8 million and $25 million, respectively, attributable to CC VIII. Subsequent to recording the impact of the settlement in the fourth quarter of 2005, approximately 6% of CC VIII's income will be allocated to minority interest.

Minority interest historically included the portion of Charter Holdco's member's equity not owned by Charter. However, members' deficit of Charter Holdco was $5.0 billion and $4.4 billion as of September 30, 2005 and December 31, 2004, respectively, thus minority interest in Charter Holdco has been eliminated. Minority interest was approximately 52% as of September 30, 2005 and 53% as of December 31, 2004. Minority interest includes the proportionate share of changes in fair value of interest rate derivative agreements. Such amounts are temporary as they are contractually scheduled to reverse over the life of the underlying instrument. Additionally, reported losses allocated to minority interest on the consolidated statement of operations are limited to the extent of any remaining minority interest on the balance sheet related to Charter Holdco. As such, Charter absorbs all losses before income taxes that otherwise would be allocated to minority interest. Subject to any changes in Charter Holdco's capital structure, future losses will continue to be absorbed by Charter.

Changes to minority interest consist of the following:

	Minority Interest
Balance, December 31, 2004	$ 648
CC VIII 2% Priority Return (see Note 20)	9
Changes in fair value of interest rate agreements	8
Balance, September 30, 2005	$ 665

8. Share Lending Agreement

On July 29, 2005, Charter issued 27.2 million shares of Class A common stock in a public offering, which was effected pursuant to an effective registration statement that initially covered the issuance and sale of up to 150 million shares of Class A common stock. The shares were issued pursuant to the share lending agreement, pursuant to which Charter had previously agreed to loan up to 150 million shares to Citigroup Global Markets Limited ("CGML"). Because less than the full 150 million shares covered by the share lending agreement were sold in the offering, Charter remains obligated to issue, at CGML's request, up to an additional 122.8 million loaned shares in subsequent registered public offerings pursuant to the share lending agreement.

This offering of Charter's Class A common stock was conducted to facilitate transactions by which investors in Charter's 5.875% convertible senior notes due 2009, issued on November 22, 2004, hedged their investments in the convertible senior notes. Charter did not receive any of the proceeds from the sale of this Class A common stock. However, under the share lending agreement, Charter received a loan fee of $.001 for each share that it lends to CGML.

The issuance of up to a total of 150 million shares of common stock (of which 27.2 million were issued in July 2005) pursuant to a share lending agreement executed by Charter in connection with the issuance of the 5.875% convertible senior notes in November 2004 is essentially analogous to a sale of shares coupled with a forward contract for the reacquisition of the shares at a future date. An instrument that requires physical settlement by repurchase of a fixed number of shares in exchange for cash is considered a forward purchase instrument. While the share lending agreement does not require a cash payment upon return of the shares, physical settlement is required (i.e., the shares borrowed must be returned at the end of the arrangement.) The fair value of the 27.2 million shares lent in July 2005 is approximately $41 million as of September 30, 2005. However, the net effect on shareholders' deficit of the shares lent in July pursuant to the share lending agreement, which includes Charter's requirement to lend the shares and the counterparties' requirement to return the shares, is de minimis and represents the cash received upon lending of the shares and is equal to the par value of the common stock to be issued.

9. Comprehensive Income (Loss)

Certain marketable equity securities are classified as available-for-sale and reported at market value with unrealized gains and losses recorded as accumulated other comprehensive income (loss) on the accompanying condensed consolidated balance sheets. Additionally, the Company reports changes in the fair value of interest rate agreements designated as hedging the variability of cash flows associated with floating-rate debt obligations, that meet the effectiveness criteria of SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities*, in accumulated other comprehensive income (loss), after giving effect to the minority interest share of such gains and losses. Comprehensive income for the three months ended September 30, 2005 was $77 million and comprehensive loss for the three months ended September 30, 2004 was $3.3 billion and was $627 million and $4.0 billion for the nine months ended September 30, 2005 and 2004, respectively.

10. Accounting for Derivative Instruments and Hedging Activities

The Company uses interest rate risk management derivative instruments, such as interest rate swap agreements and interest rate collar agreements (collectively referred to herein as interest rate agreements) to manage its interest costs. The Company's policy is to manage interest costs using a mix of fixed and variable rate debt. Using interest rate swap agreements, the Company has agreed to exchange, at specified intervals through 2007, the difference between fixed and variable interest amounts calculated by reference to an agreed-upon notional principal amount. Interest rate collar agreements are used to limit the Company's exposure to and benefits from interest rate fluctuations on variable rate debt to within a certain range of rates.

The Company does not hold or issue derivative instruments for trading purposes. The Company does, however, have certain interest rate derivative instruments that have been designated as cash flow hedging instruments. Such

instruments effectively convert variable interest payments on certain debt instruments into fixed payments. For qualifying hedges, SFAS No. 133 allows derivative gains and losses to offset related results on hedged items in the consolidated statement of operations. The Company has formally documented, designated and assessed the effectiveness of transactions that receive hedge accounting. For the three months ended September 30, 2005 and 2004, net gain (loss) on derivative instruments and hedging activities includes gains of $1 million and $1 million, respectively, and for the nine months ended September 30, 2005 and 2004, net gain (loss) on derivative instruments and hedging activities includes gains of $2 million and $3 million, respectively, which represent cash flow hedge ineffectiveness on interest rate hedge agreements arising from differences between the critical terms of the agreements and the related hedged obligations. Changes in the fair value of interest rate agreements designated as hedging instruments of the variability of cash flows associated with floating-rate debt obligations that meet the effectiveness criteria of SFAS No. 133 are reported in accumulated other comprehensive loss. For the three months ended September 30, 2005 and 2004, a gain of $5 million and $2 million, respectively, and for the nine months ended September 30, 2005 and 2004, a gain of $14 million and $31 million, respectively, related to derivative instruments designated as cash flow hedges, was recorded in accumulated other comprehensive income (loss) and minority interest. The amounts are subsequently reclassified into interest expense as a yield adjustment in the same period in which the related interest on the floating-rate debt obligations affects earnings (losses).

Certain interest rate derivative instruments are not designated as hedges as they do not meet the effectiveness criteria specified by SFAS No. 133. However, management believes such instruments are closely correlated with the respective debt, thus managing associated risk. Interest rate derivative instruments not designated as hedges are marked to fair value, with the impact recorded as gain (loss) on derivative instruments and hedging activities in the Company's condensed consolidated statements of operations. For the three months ended September 30, 2005 and 2004, net gain (loss) on derivative instruments and hedging activities includes gains of $16 million and losses of $9 million, respectively, and for the nine months ended September 30, 2005 and 2004, net gain (loss) on derivative instruments and hedging activities includes gains of $41 million and $45 million, respectively, for interest rate derivative instruments not designated as hedges.

As of September 30, 2005 and December 31, 2004, the Company had outstanding $2.1 billion and $2.7 billion and $20 million and $20 million, respectively, in notional amounts of interest rate swaps and collars, respectively. The notional amounts of interest rate instruments do not represent amounts exchanged by the parties and, thus, are not a measure of exposure to credit loss. The amounts exchanged are determined by reference to the notional amount and the other terms of the contracts.

Certain provisions of the Company's 5.875% convertible senior notes issued in November 2004 were considered embedded derivatives for accounting purposes and were required to be accounted for separately from the convertible senior notes. In accordance with SFAS No. 133, these derivatives are marked to market with gains or losses recorded in interest expense on the Company's condensed consolidated statement of operations. For the three and nine months ended September 30, 2005, the Company recognized losses of $1 million and gains of $26 million, respectively. The loss resulted in an increase in interest expense whereas the gain resulted in a reduction in interest expense related to these derivatives. At September 30, 2005 and December 31, 2004, $2 million and $10 million, respectively, is recorded in accounts payable and accrued expenses relating to the short-term portion of these derivatives and $3 million and $21 million, respectively, is recorded in other long-term liabilities related to the long-term portion.

11. Revenues

Revenues consist of the following for the three and nine months ended September 30, 2005 and 2004:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
Video	$ 848	$ 839	$ 2,551	$ 2,534
High-speed Internet	230	189	671	538
Advertising sales	74	73	214	205
Commercial	71	61	205	175
Other	95	86	271	249
	$ 1,318	$ 1,248	$ 3,912	$ 3,701

12. Operating Expenses

Operating expenses consist of the following for the three and nine months ended September 30, 2005 and 2004:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
Programming	$ 357	$ 328	$ 1,066	$ 991
Service	203	173	572	489
Advertising sales	26	24	76	72
	$ 586	$ 525	$ 1,714	$ 1,552

13. Selling, General and Administrative Expenses

Selling, general and administrative expenses consist of the following for the three and nine months ended September 30, 2005 and 2004:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
General and administrative	$ 231	$ 220	$ 658	$ 636
Marketing	38	32	104	99
	$ 269	$ 252	$ 762	$ 735

Components of selling expense are included in general and administrative and marketing expense.

14. Hurricane Asset Retirement Loss

Certain of the Company's cable systems in Louisiana suffered significant plant damage as a result of hurricanes Katrina and Rita. Based on preliminary evaluations, the Company wrote off $19 million of its plants' net book value. Insignificant amounts of other expenses were recorded related to hurricanes Katrina and Rita.

The Company has insurance coverage for both property and business interruption. The Company has not recorded any potential insurance recoveries as it is still assessing the damage of its plant and the extent of insurance coverage.

15. Special Charges

The Company has recorded special charges as a result of reducing its workforce, consolidating administrative offices and management realignment in 2004 and 2005. The activity associated with this initiative is summarized in the table below.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
Beginning Balance	$ 4	$ 6	$ 6	$ 14
Special Charges	1	6	5	9
Payments	(1)	(3)	(7)	(14)
Balance at September 30,	$ 4	$ 9	$ 4	$ 9

For the three and nine months ended September 30, 2005, special charges also included $1 million related to legal settlements. For the nine months ended September 30, 2005, special charges were offset by approximately $2 million related to an agreed upon discount in respect of the portion of the settlement consideration payable under the Stipulations of Settlement of the consolidated Federal Class Action and the Federal Derivative Action allocable to plaintiff's attorney fees and Charter's insurance carrier as a result of the election to pay such fees in cash (see Note 17).

For the nine months ended September 30, 2004, special charges also includes approximately $85 million, as part of the terms set forth in memoranda of understanding regarding settlement of the consolidated Federal Class Action and Federal Derivative Action and approximately $9 million of litigation costs related to the tentative settlement of the South Carolina national class action suit, which were approved by the respective courts. For the three and nine months ended September 30, 2004, the severance costs were offset by $3 million received from a third party in settlement of a dispute.

16. Income Taxes

All operations are held through Charter Holdco and its direct and indirect subsidiaries. Charter Holdco and the majority of its subsidiaries are not subject to income tax. However, certain of these subsidiaries are corporations and are subject to income tax. All of the taxable income, gains, losses, deductions and credits of Charter Holdco are passed through to its members: Charter, Charter Investment, Inc. ("Charter Investment") and Vulcan Cable III Inc. ("Vulcan Cable"). Charter is responsible for its share of taxable income or loss of Charter Holdco allocated to Charter in accordance with the Charter Holdco limited liability company agreement (the "LLC Agreement") and partnership tax rules and regulations.

As of September 30, 2005 and December 31, 2004, the Company had net deferred income tax liabilities of approximately $287 million and $216 million, respectively. Approximately $214 million and $208 million of the deferred tax liabilities recorded in the condensed consolidated financial statements at September 30, 2005 and December 31, 2004, respectively relate to certain indirect subsidiaries of Charter Holdco, which file separate income tax returns.

During the three and nine months ended September 30, 2005, the Company recorded $29 million and $75 million of income tax expense, respectively, and during the three and nine months ended September 30, 2004, the Company recorded $304 million and $207 million of income tax benefit, respectively. The Company recorded the portion of the income tax benefit associated with the adoption of Topic D-108 as a $91 million reduction of the cumulative effect of accounting change on the accompanying statement of operations for the three and nine months ended September 30,

2004. The sale of systems to Atlantic Broadband, LLC in March and April 2004 resulted in income tax expense of $15 million for the nine months ended September 30, 2004.

Income tax expense is recognized through increases in the deferred tax liabilities related to Charter's investment in Charter Holdco, as well as current federal and state income tax expense and increases to the deferred tax liabilities of certain of Charter's indirect corporate subsidiaries. The Company recorded an additional deferred tax asset of approximately $222 million during the nine months ended September 30, 2005 relating to net operating loss carryforwards, but recorded a valuation allowance with respect to this amount because of the uncertainty of the ability to realize a benefit from the Company's carryforwards in the future.

The Company has deferred tax assets of approximately $3.7 billion and $3.5 billion as of September 30, 2005 and December 31, 2004, respectively, which primarily relate to financial and tax losses allocated to Charter from Charter Holdco. The deferred tax assets include approximately $2.3 billion and $2.1 billion of tax net operating loss carryforwards as of September 30, 2005 and December 31, 2004, respectively (generally expiring in years 2005 through 2025), of Charter and its indirect corporate subsidiaries. Valuation allowances of $3.4 billion and $3.2 billion as of September 30, 2005 and December 31, 2004, respectively, exist with respect to these deferred tax assets.

Realization of any benefit from the Company's tax net operating losses is dependent on: (1) Charter and its indirect corporate subsidiaries' ability to generate future taxable income and (2) the absence of certain future "ownership changes" of Charter's common stock. An "ownership change," as defined in the applicable federal income tax rules, would place significant limitations, on an annual basis, on the use of such net operating losses to offset any future taxable income the Company may generate. Such limitations, in conjunction with the net operating loss expiration provisions, could effectively eliminate the Company's ability to use a substantial portion of its net operating losses to offset any future taxable income. Future transactions and the timing of such transactions could cause an ownership change. Such transactions include additional issuances of common stock by the Company (including but not limited to the issuance of up to a total of 150 million shares of common stock (of which 27.2 million were issued in July 2005) under the share lending agreement, the issuance of shares of common stock upon future conversion of Charter's convertible senior notes and the issuance of common stock in the class action settlement discussed in Note 17, reacquisition of the borrowed shares by Charter, or acquisitions or sales of shares by certain holders of Charter's shares, including persons who have held, currently hold, or accumulate in the future five percent or more of Charter's outstanding stock (including upon an exchange by Mr. Allen or his affiliates, directly or indirectly, of membership units of Charter Holdco into CCI common stock)). Many of the foregoing transactions are beyond management's control.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will be realized. Because of the uncertainties in projecting future taxable income of Charter Holdco, valuation allowances have been established except for deferred benefits available to offset certain deferred tax liabilities.

Charter Holdco is currently under examination by the Internal Revenue Service for the tax years ending December 31, 2002 and 2003. The results of the Company (excluding Charter and the indirect corporate subsidiaries) for these years are subject to this examination. Management does not expect the results of this examination to have a material adverse effect on the Company's financial condition or results of operations.

17. Contingencies

Securities Class Actions and Derivative Suits

Fourteen putative federal class action lawsuits (the "Federal Class Actions") were filed in 2002 against Charter and certain of its former and present officers and directors in various jurisdictions allegedly on behalf of all purchasers of Charter's securities during the period from either November 8 or November 9, 1999 through July 17 or July 18, 2002. Unspecified damages were sought by the plaintiffs. In general, the lawsuits alleged that Charter utilized misleading accounting practices and failed to disclose these accounting practices and/or issued false and misleading financial

statements and press releases concerning Charter's operations and prospects. The Federal Class Actions were specifically and individually identified in public filings made by Charter prior to the date of this quarterly report. On March 12, 2003, the Panel transferred the six Federal Class Actions not filed in the Eastern District of Missouri to that district for coordinated or consolidated pretrial proceedings with the eight Federal Class Actions already pending there. The Court subsequently consolidated the Federal Class Actions into a single action (the "Consolidated Federal Class Action") for pretrial purposes. On August 5, 2004, the plaintiffs' representatives, Charter and the individual defendants who were the subject of the suit entered into a Memorandum of Understanding setting forth agreements in principle to settle the Consolidated Federal Class Action. These parties subsequently entered into Stipulations of Settlement dated as of January 24, 2005 (described more fully below) that incorporate the terms of the August 5, 2004 Memorandum of Understanding.

On September 12, 2002, a shareholders derivative suit (the "State Derivative Action") was filed in the Circuit Court of the City of St. Louis, State of Missouri (the "Missouri State Court"), against Charter and its then current directors, as well as its former auditors. The plaintiffs alleged that the individual defendants breached their fiduciary duties by failing to establish and maintain adequate internal controls and procedures. On March 12, 2004, an action substantively identical to the State Derivative Action was filed in Missouri State Court against Charter and certain of its current and former directors, as well as its former auditors. On July 14, 2004, the Court consolidated this case with the State Derivative Action.

Separately, on February 12, 2003, a shareholders derivative suit (the "Federal Derivative Action") was filed against Charter and its then current directors in the United States District Court for the Eastern District of Missouri. The plaintiff in that suit alleged that the individual defendants breached their fiduciary duties and grossly mismanaged Charter by failing to establish and maintain adequate internal controls and procedures.

As noted above, Charter and the individual defendants entered into a Memorandum of Understanding on August 5, 2004 setting forth agreements in principle regarding settlement of the Consolidated Federal Class Action, the State Derivative Action(s) and the Federal Derivative Action (the "Actions"). Charter and various other defendants in those actions subsequently entered into Stipulations of Settlement dated as of January 24, 2005, setting forth a settlement of the Actions in a manner consistent with the terms of the Memorandum of Understanding. The Stipulations of Settlement, along with various supporting documentation, were filed with the Court on February 2, 2005. On May 23, 2005 the United States District Court for the Eastern District of Missouri conducted the final fairness hearing for the Actions, and on June 30, 2005, the Court issued its final approval of the settlements. Members of the class had 30 days from the issuance of the June 30 order approving the settlement to file an appeal challenging the approval. Two notices of appeal were filed relating to the settlement. Those appeals were directed to the amount of fees that the attorneys for the class were to receive and to the fairness of the settlement. At the end of September 2005, Stipulations of Dismissal were filed with the Eighth Circuit Court of Appeals resulting in the dismissal of both appeals with prejudice. Procedurally therefore, the settlements are final.

As amended, the Stipulations of Settlement provide that, in exchange for a release of all claims by plaintiffs against Charter and its former and present officers and directors named in the Actions, Charter would pay to the plaintiffs a combination of cash and equity collectively valued at $144 million, which will include the fees and expenses of plaintiffs' counsel. Of this amount, $64 million would be paid in cash (by Charter's insurance carriers) and the $80 million balance was to be paid (subject to Charter's right to substitute cash therefor as described below) in shares of Charter Class A common stock having an aggregate value of $40 million and ten-year warrants to purchase shares of Charter Class A common stock having an aggregate warrant value of $40 million, with such values in each case being determined pursuant to formulas set forth in the Stipulations of Settlement. However, Charter had the right, in its sole discretion, to substitute cash for some or all of the aforementioned securities on a dollar for dollar basis. Pursuant to that right, Charter elected to fund the $80 million obligation with 13.4 million shares of Charter Class A common stock (having an aggregate value of approximately $15 million pursuant to the formula set forth in the Stipulations of Settlement) with the remaining balance (less an agreed upon $2 million discount in respect of that portion allocable to plaintiffs' attorneys' fees) to be paid in cash. In addition, Charter had agreed to issue additional shares of its Class A common stock to its insurance carrier having an aggregate value of $5 million; however, by agreement with its carrier, Charter paid $4.5 million in cash in lieu of issuing such shares. Charter delivered the

settlement consideration to the claims administrator on July 8, 2005, and it was held in escrow pending resolution of the appeals. Those appeals are now resolved. On July 14, 2005, the Circuit Court for the City of St. Louis dismissed with prejudice the State Derivative Actions. The claims administrator is responsible for disbursing the settlement consideration.

As part of the settlements, Charter committed to a variety of corporate governance changes, internal practices and public disclosures, all of which have already been undertaken and none of which are inconsistent with measures Charter is taking in connection with the recent conclusion of the SEC investigation.

Government Investigations

In August 2002, Charter became aware of a grand jury investigation being conducted by the U.S. Attorney's Office for the Eastern District of Missouri into certain of its accounting and reporting practices, focusing on how Charter reported customer numbers, and its reporting of amounts received from digital set-top terminal suppliers for advertising. The U.S. Attorney's Office publicly stated that Charter was not a target of the investigation. Charter was also advised by the U.S. Attorney's Office that no current officer or member of its board of directors was a target of the investigation. On July 24, 2003, a federal grand jury charged four former officers of Charter with conspiracy and mail and wire fraud, alleging improper accounting and reporting practices focusing on revenue from digital set-top terminal suppliers and inflated customer account numbers. Each of the indicted former officers pled guilty to single conspiracy counts related to the original mail and wire fraud charges and were sentenced April 22, 2005. Charter fully cooperated with the investigation, and following the sentencings, the U.S. Attorney's Office for the Eastern District of Missouri announced that its investigation was concluded and that no further indictments would issue.

Indemnification

Charter was generally required to indemnify, under certain conditions, each of the named individual defendants in connection with the matters described above pursuant to the terms of its bylaws and (where applicable) such individual defendants' employment agreements. In accordance with these documents, in connection with the grand jury investigation, a now-settled SEC investigation and the above-described lawsuits, some of Charter's current and former directors and current and former officers were advanced certain costs and expenses incurred in connection with their defense. On February 22, 2005, Charter filed suit against four of its former officers who were indicted in the course of the grand jury investigation. These suits seek to recover the legal fees and other related expenses advanced to these individuals. One of these former officers has counterclaimed against Charter alleging, among other things, that Charter owes him additional indemnification for legal fees that Charter did not pay, and another of these former officers has counterclaimed against Charter for accrued sick leave.

Other Litigation

Charter is also party to other lawsuits and claims that arose in the ordinary course of conducting its business. In the opinion of management, after taking into account recorded liabilities, the outcome of these other lawsuits and claims are not expected to have a material adverse effect on the Company's consolidated financial condition, results of operations or its liquidity.

18. Earnings (Loss) Per Share

Basic earnings (loss) per share is based on the average number of shares of common stock outstanding during the period. Diluted earnings per share is based on the average number of shares used for the basic earnings per share calculation, adjusted for the dilutive effect of stock options, restricted stock, convertible debt, convertible redeemable preferred stock and exchangeable membership units. Basic loss per share equals diluted loss per share for the three months ended September 30, 2004 and the nine months ended September 30, 2004 and 2005.

	Three Months Ended September 30, 2005		
	Earnings	Shares	Earnings Per Share
Basic earnings per share	$ 75	316,214,740	$ 0.24
Effect of restricted stock	--	840,112	--
Effect of Charter Investment Class B Common Stock	--	222,818,858	(0.10)
Effect of Vulcan Cable III Inc. Class B Common Stock	--	116,313,173	(0.02)
Effect of 5.875% convertible senior notes due 2009	13	356,404,959	(0.03)
Diluted earnings per share	$ 88	1,012,591,842	$ 0.09

The effect of restricted stock represents the shares resulting from the vesting of nonvested restricted stock, calculated using the treasury stock method. Charter Investment Class B common stock and Vulcan Cable III Inc. Class B common stock represent membership units in Charter Holdco, held by entities controlled by Mr. Allen, that are exchangeable at any time on a one-for-one basis for shares of Charter Class B common stock, which are in turn convertible on a one-for-one basis into shares of Charter Class A common stock. The 5.875% convertible senior notes due 2009 represent the shares resulting from the assumed conversion of the notes into shares of Charter's Class A common stock.

All options to purchase common stock, which were outstanding during the three months ended September 30, 2005, were not included in the computation of diluted earnings per share because the options' exercise price was greater than the average market price of the common shares or they were otherwise antidilutive. Charter's 4.75% convertible senior notes, Charter's series A convertible redeemable preferred stock and all of the outstanding exchangeable membership units in Charter's indirect subsidiary, CC VIII, LLC, also were not included in the computation of diluted earnings per share because the effect of the conversions would have been antidilutive.

The 27.2 million shares issued in July pursuant to the share lending agreement are required to be returned, in accordance with the contractual arrangement, and are treated in basic and diluted earnings per share as if they were already returned and retired. Consequently, there is no impact of the shares of common stock lent under the share lending agreement in the earnings per share calculation.

19. Stock Compensation Plans

Prior to January 1, 2003, the Company accounted for stock-based compensation in accordance with Accounting Principles Board ("APB") Opinion No. 25, *Accounting for Stock Issued to Employees*, and related interpretations, as permitted by SFAS No. 123, *Accounting for Stock-Based Compensation*. On January 1, 2003, the Company adopted the fair value measurement provisions of SFAS No. 123 using the prospective method, under which the Company recognizes compensation expense of a stock-based award to an employee over the vesting period based on the fair value of the award on the grant date consistent with the method described in Financial Accounting Standards Board Interpretation No. 28, *Accounting for Stock Appreciation Rights and Other Variable Stock Option or Award Plans*. Adoption of these provisions resulted in utilizing a preferable accounting method as the condensed consolidated financial statements will present the estimated fair value of stock-based compensation in expense consistently with other forms of compensation and other expense associated with goods and services received for equity instruments. In accordance with SFAS No. 148, *Accounting for Stock-Based Compensation - Transition and Disclosure*, the fair value

method is being applied only to awards granted or modified after January 1, 2003, whereas awards granted prior to such date will continue to be accounted for under APB No. 25, unless they are modified or settled in cash. The ongoing effect on consolidated results of operations or financial condition will depend on future stock-based compensation awards granted by the Company.

SFAS No. 123 requires pro forma disclosure of the impact on earnings as if the compensation expense for these plans had been determined using the fair value method. The following table presents the Company's net income (loss) and income (loss) per share as reported and the pro forma amounts that would have been reported using the fair value method under SFAS No. 123 for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
Net income (loss) applicable to common stock	$ 75	$ (3,295)	$ (634)	$ (4,005)
Add back stock-based compensation expense related to stock options included in reported net income (loss)	3	8	11	34
Less employee stock-based compensation expense determined under fair value based method for all employee stock option awards	(3)	(6)	(11)	(37)
Effects of unvested options in stock option exchange	--	--	--	48
Pro forma	$ 75	$ (3,293)	$ (634)	$ (3,960)
Basic income (loss) per common share	$ 0.24	$ (10.89)	$ (2.06)	$ (13.38)
Add back stock-based compensation expense related to stock options included in reported net income (loss)	0.01	0.03	0.04	0.11
Less employee stock-based compensation expense determined under fair value based method for all employee stock option awards	(0.01)	(0.02)	(0.04)	(0.12)
Effects of unvested options in stock option exchange	--	--	--	0.16
Pro forma	$ 0.24	$ (10.88)	$ (2.06)	$ (13.23)
Diluted income (loss) per common share	$ 0.09	$ (10.89)	$ (2.06)	$ (13.38)
Add back stock-based compensation expense related to stock options included in reported net income (loss)	--	0.03	0.04	0.11
Less employee stock-based compensation expense determined under fair value based method for all employee stock option awards	--	(0.02)	(0.04)	(0.12)
Effects of unvested options in stock option exchange	--	--	--	0.16
Pro forma	$ 0.09	$ (10.88)	$ (2.06)	$ (13.23)

In January 2004, Charter began an option exchange program in which the Company offered its employees the right to exchange all stock options (vested and unvested) under the 1999 Charter Communications Option Plan and 2001 Stock Incentive Plan that had an exercise price over $10 per share for shares of restricted Charter Class A common stock or, in some instances, cash. Based on a sliding exchange ratio, which varied depending on the exercise price of an employee's outstanding options, if an employee would have received more than 400 shares of restricted stock in exchange for tendered options, Charter issued to that employee shares of restricted stock in the exchange. If, based on the exchange ratios, an employee would have received 400 or fewer shares of restricted stock in exchange for tendered options, Charter instead paid the employee cash in an amount equal to the number of shares the employee would have received multiplied by $5.00. The offer applied to options (vested and unvested) to purchase a total of 22,929,573 shares of Charter Class A common stock, or approximately 48% of the Company's 47,882,365 total options (vested and unvested) issued and outstanding as of December 31, 2003. Participation by employees was voluntary. Those members of Charter's board of directors who were not also employees of the Company were not eligible to participate in the exchange offer.

In the closing of the exchange offer on February 20, 2004, the Company accepted for cancellation eligible options to purchase approximately 18,137,664 shares of Charter Class A common stock. In exchange, the Company granted 1,966,686 shares of restricted stock, including 460,777 performance shares to eligible employees of the rank of senior vice president and above, and paid a total cash amount of approximately $4 million (which amount includes applicable withholding taxes) to those employees who received cash rather than shares of restricted stock. The restricted stock was granted on February 25, 2004. Employees tendered approximately 79% of the options exchangeable under the program.

The cost to the Company of the stock option exchange program was approximately $10 million, with a 2004 cash compensation expense of approximately $4 million and a non-cash compensation expense of approximately $6 million to be expensed ratably over the three-year vesting period of the restricted stock issued in the exchange.

In January 2004, the Compensation Committee of the board of directors of Charter approved Charter's Long-Term Incentive Program ("LTIP"), which is a program administered under the 2001 Stock Incentive Plan. Under the LTIP, employees of Charter and its subsidiaries whose pay classifications exceed a certain level are eligible to receive stock options and more senior level employees are eligible to receive stock options and performance shares. The stock options vest 25% on each of the first four anniversaries of the date of grant. The performance units vest on the third anniversary of the grant date and shares of Charter Class A common stock are issued, conditional upon Charter's performance against financial performance targets established by Charter's management and approved by its board of directors. Charter granted 6.9 million performance shares in January 2004 under this program and recognized expense of $2 million and $8 million during the three and nine months ended September 30, 2004, respectively. However, in the fourth quarter of 2004, the Company reversed the $8 million of expense recorded in the first three quarters of 2004 based on the Company's assessment of the probability of achieving the financial performance measures established by Charter and required to be met for the performance shares to vest. In March and April 2005, Charter granted 2.8 million performance shares under the LTIP and recognized approximately $1 million during the three and nine months ended September 30, 2005.

20. Related Party Transactions

The following sets forth certain transactions in which the Company and the directors, executive officers and affiliates of the Company are involved. Unless otherwise disclosed, management believes that each of the transactions described below was on terms no less favorable to the Company than could have been obtained from independent third parties.

CC VIII

As part of the acquisition of the cable systems owned by Bresnan Communications Company Limited Partnership in February 2000, CC VIII, Charter's indirect limited liability company subsidiary, issued, after adjustments, 24,273,943 Class A preferred membership units (collectively the "CC VIII interest") with a value and an initial capital account of approximately $630 million to certain sellers affiliated with AT&T Broadband, subsequently owned by Comcast Corporation (the "Comcast sellers"). While held by the Comcast sellers, the CC VIII interest was entitled to a 2% priority return on its initial capital account and such priority return was entitled to preferential distributions from available cash and upon liquidation of CC VIII. While held by the Comcast sellers, the CC VIII interest generally did not share in the profits and losses of CC VIII. Mr. Allen granted the Comcast sellers the right to sell to him the CC VIII interest for approximately $630 million plus 4.5% interest annually from February 2000 (the "Comcast put right"). In April 2002, the Comcast sellers exercised the Comcast put right in full, and this transaction was consummated on June 6, 2003. Accordingly, Mr. Allen, indirectly through a company controlled by him, Charter Investment, Inc. ("CII"), became the holder of the CC VIII interest. Consequently, subject to the matters referenced in the next paragraph, Mr. Allen generally thereafter has been allocated his pro rata share (based on number of membership interests outstanding) of profits or losses of CC VIII. In the event of a liquidation of CC VIII, Mr. Allen would be entitled to a priority distribution with respect to the 2% priority return (which will continue to accrete). Any remaining distributions in liquidation would be distributed to CC V Holdings, LLC, an indirect subsidiary of Charter ("CC V"), and Mr. Allen in proportion to CC V's capital account and Mr. Allen's capital account (which will equal the

initial capital account of the Comcast sellers of approximately $630 million, increased or decreased by Mr. Allen's pro rata share of CC VIII's profits or losses (as computed for capital account purposes) after June 6, 2003). The limited liability company agreement of CC VIII does not provide for a mandatory redemption of the CC VIII interest.

An issue arose as to whether the documentation for the Bresnan transaction was correct and complete with regard to the ultimate ownership of the CC VIII interest following consummation of the Comcast put right. Specifically, under the terms of the Bresnan transaction documents that were entered into in June 1999, the Comcast sellers originally would have received, after adjustments, 24,273,943 Charter Holdco membership units, but due to an FCC regulatory issue raised by the Comcast sellers shortly before closing, the Bresnan transaction was modified to provide that the Comcast sellers instead would receive the preferred equity interests in CC VIII represented by the CC VIII interest. As part of the last-minute changes to the Bresnan transaction documents, a draft amended version of the Charter Holdco limited liability company agreement was prepared, and contract provisions were drafted for that agreement that would have required an automatic exchange of the CC VIII interest for 24,273,943 Charter Holdco membership units if the Comcast sellers exercised the Comcast put right and sold the CC VIII interest to Mr. Allen or his affiliates. However, the provisions that would have required this automatic exchange did not appear in the final version of the Charter Holdco limited liability company agreement that was delivered and executed at the closing of the Bresnan transaction. The law firm that prepared the documents for the Bresnan transaction brought this matter to the attention of Charter and representatives of Mr. Allen in 2002.

Thereafter, the board of directors of Charter formed a Special Committee (currently comprised of Messrs. Merritt, Tory and Wangberg) to investigate the matter and take any other appropriate action on behalf of Charter with respect to this matter. After conducting an investigation of the relevant facts and circumstances, the Special Committee determined that a "scrivener's error" had occurred in February 2000 in connection with the preparation of the last-minute revisions to the Bresnan transaction documents and that, as a result, Charter should seek reformation of the Charter Holdco limited liability company agreement, or alternative relief, in order to restore and ensure the obligation that the CC VIII interest be automatically exchanged for Charter Holdco units. The Special Committee further determined that, as part of such contract reformation or alternative relief, Mr. Allen should be required to contribute the CC VIII interest to Charter Holdco in exchange for 24,273,943 Charter Holdco membership units. The Special Committee also recommended to the board of directors of Charter that, to the extent contract reformation were achieved, the board of directors should consider whether the CC VIII interest should ultimately be held by Charter Holdco or Charter Holdings or another entity owned directly or indirectly by them.

Mr. Allen disagreed with the Special Committee's determinations described above and so notified the Special Committee. Mr. Allen contended that the transaction was accurately reflected in the transaction documentation and contemporaneous and subsequent company public disclosures.

The parties engaged in a process of non-binding mediation to seek to resolve this matter, without success. The Special Committee evaluated what further actions or processes to undertake to resolve this dispute. To accommodate further deliberation, each party agreed to refrain from initiating legal proceedings over this matter until it had given at least ten days' prior notice to the other. In addition, the Special Committee and Mr. Allen determined to utilize the Delaware Court of Chancery's program for mediation of complex business disputes in an effort to resolve the CC VIII interest dispute.

As of October 31, 2005, Mr. Allen, the Special Committee, Charter, Charter Holdco and certain of their affiliates, having investigated the facts and circumstances relating to the dispute involving the CC VIII interest, after consultation with counsel and other advisors, and as a result of the Delaware Chancery Court's non-binding mediation program, agreed to settle the dispute, and execute certain permanent and irrevocable releases pursuant to the Settlement Agreement and Mutual Release agreement dated October 31, 2005 (the "Settlement").

Pursuant to the Settlement, CII has retained 30% of its CC VIII interest (the "Remaining Interests"). The Remaining Interests are subject to certain drag along, tag along and transfer restrictions as detailed in the revised CC VIII Limited Liability Company Agreement. CII transferred the other 70% of the CC VIII interest directly and indirectly, through Charter Holdco, to a newly formed entity, CCHC, LLC (a direct subsidiary of Charter Holdco and the direct parent of

Charter Holdings, "CCHC"). Of that other 70% of the CC VIII preferred interests, 7.4% has been transferred by CII for a subordinated exchangeable note of CCHC with an initial accreted value of $48.2 million, accreting at 14%, compounded quarterly, with a 15-year maturity (the "Note"). The remaining 62.6% has been transferred for no consideration.

As part of the Settlement, CC VIII issued approximately 49 million additional Class B units to CC V in consideration for prior capital contributions to CC VIII by CC V, with respect to transactions that were unrelated to the dispute in connection with CII's membership units in CC VIII. As a result, Mr. Allen's pro rata share of the profits and losses of CC VIII attributable to the Remaining Interests is approximately 5.6%.

The Note is exchangeable, at CII's option, at any time, for Charter Holdco Class A Common units at a rate equal to then accreted value, divided by $2.00 (the "Exchange Rate"). Customary anti-dilution protections have been provided that could cause future changes to the Exchange Rate. Additionally, the Charter Holdco Class A Common units received will be exchangeable by the holder into Charter common stock in accordance with existing agreements between CII, Charter and certain other parties signatory thereto. Beginning three years and four months after the closing of the Settlement, if the closing price of Charter common stock is at or above the Exchange Rate for a certain period of time as specified in the Exchange Agreement, Charter Holdco may require the exchange of the Note for Charter Holdco Class A Common units at the Exchange Rate.

CCHC has the right to redeem the Note under certain circumstances, for cash in an amount equal to the then accreted value. CCHC must redeem the Note at its maturity for cash in an amount equal to the initial stated value plus the accreted return through maturity.

The Board of Directors has determined that the transferred CC VIII interests remain at CCHC.

TechTV, Inc.

TechTV, Inc. ("TechTV") operated a cable television network that offered programming mostly related to technology. Pursuant to an affiliation agreement that originated in 1998 and that terminates in 2008, TechTV has provided the Company with programming for distribution via Charter's cable systems. The affiliation agreement provides, among other things, that TechTV must offer Charter certain terms and conditions that are no less favorable in the affiliation agreement than are given to any other distributor that serves the same number of or fewer TechTV viewing customers. Additionally, pursuant to the affiliation agreement, the Company was entitled to incentive payments for channel launches through December 31, 2003.

In March 2004, Charter Holdco entered into agreements with Vulcan Programming and TechTV, which provide for (i) Charter Holdco and TechTV to amend the affiliation agreement which, among other things, revises the description of the TechTV network content, provides for Charter Holdco to waive certain claims against TechTV relating to alleged breaches of the affiliation agreement and provides for TechTV to make payment of outstanding launch receivables due to Charter Holdco under the affiliation agreement, (ii) Vulcan Programming to pay approximately $10 million and purchase over a 24-month period at fair market rates, $2 million of advertising time across various cable networks on Charter cable systems in consideration of the agreements, obligations, releases and waivers under the agreements and in settlement of the aforementioned claims and (iii) TechTV to be a provider of content relating to technology and video gaming for Charter's interactive television platforms through December 31, 2006 (exclusive for the first year). For each of the three and nine months ended September 30, 2005 and 2004, the Company recognized approximately $0.3 million and $1 million, respectively, of the Vulcan Programming payment as an offset to programming expense. For the three and nine months ended September 30, 2005, the Company paid approximately $1 million and $2 million, respectively, and for the three and nine months ended September 30, 2004, the Company paid approximately $0.5 million and $1 million, respectively, under the affiliation agreement.

The Company believes that Vulcan Programming, which is 100% owned by Mr. Allen, owned an approximate 98% equity interest in TechTV at the time Vulcan Programming sold TechTV to an unrelated third party in May 2004. Until September 2003, Mr. Savoy, a former Charter director, was the president and director of Vulcan Programming and was a director of TechTV. Mr. Wangberg, one of Charter's directors, was the chairman, chief executive officer

and a director of TechTV. Mr. Wangberg resigned as the chief executive officer of TechTV in July 2002. He remained a director of TechTV along with Mr. Allen until Vulcan Programming sold TechTV.

Digeo, Inc.

In March 2001, a subsidiary of Charter, Charter Communications Ventures, LLC ("Charter Ventures"), and Vulcan Ventures Incorporated formed DBroadband Holdings, LLC for the sole purpose of purchasing equity interests in Digeo, Inc. ("Digeo"), an entity controlled by Mr. Allen. In connection with the execution of the broadband carriage agreement, DBroadband Holdings, LLC purchased an equity interest in Digeo funded by contributions from Vulcan Ventures Incorporated. The equity interest is subject to a priority return of capital to Vulcan Ventures up to the amount contributed by Vulcan Ventures on Charter Ventures' behalf. After Vulcan Ventures recovers its amount contributed and any cumulative loss allocations, Charter Ventures has a 100% profit interest in DBroadband Holdings, LLC. Charter Ventures is not required to make any capital contributions, including capital calls, to Digeo. DBroadband Holdings, LLC is therefore not included in the Company's consolidated financial statements. Pursuant to an amended version of this arrangement, in 2003 Vulcan Ventures contributed a total of $29 million to Digeo, $7 million of which was contributed on Charter Ventures' behalf, subject to Vulcan Ventures' aforementioned priority return. Since the formation of DBroadband Holdings, LLC, Vulcan Ventures has contributed approximately $56 million on Charter Ventures' behalf.

On March 2, 2001, Charter Ventures entered into a broadband carriage agreement with Digeo Interactive, LLC ("Digeo Interactive"), a wholly owned subsidiary of Digeo. The carriage agreement provided that Digeo Interactive would provide to Charter a "portal" product, which would function as the television-based Internet portal (the initial point of entry to the Internet) for Charter's customers who received Internet access from Charter. The agreement term was for 25 years and Charter agreed to use the Digeo portal exclusively for six years. Before the portal product was delivered to Charter, Digeo terminated development of the portal product.

On September 27, 2001, Charter and Digeo Interactive amended the broadband carriage agreement. According to the amendment, Digeo Interactive would provide to Charter the content for enhanced "Wink" interactive television services, known as Charter Interactive Channels ("i-channels"). In order to provide the i-channels, Digeo Interactive sublicensed certain Wink technologies to Charter. Charter is entitled to share in the revenues generated by the i-channels. Currently, the Company's digital video customers who receive i-channels receive the service at no additional charge.

On September 28, 2002, Charter entered into a second amendment to its broadband carriage agreement with Digeo Interactive. This amendment superseded the amendment of September 27, 2001. It provided for the development by Digeo Interactive of future features to be included in the Basic i-TV service to be provided by Digeo and for Digeo's development of an interactive "toolkit" to enable Charter to develop interactive local content. Furthermore, Charter could request that Digeo Interactive manage local content for a fee. The amendment provided for Charter to pay for development of the Basic i-TV service as well as license fees for customers who would receive the service, and for Charter and Digeo to split certain revenues earned from the service. The Company paid Digeo Interactive approximately $1 million and $2 million for the three and nine months ended September 30, 2005, respectively, and $1 million and $2 million for the three and nine months ended September 30, 2004, respectively, for customized development of the i-channels and the local content tool kit. This amendment expired pursuant to its terms on December 31, 2003. Digeo Interactive is continuing to provide the Basic i-TV service on a month-to-month basis.

On June 30, 2003, Charter Holdco entered into an agreement with Motorola, Inc. for the purchase of 100,000 digital video recorder ("DVR") units. The software for these DVR units is being supplied by Digeo Interactive, LLC under a license agreement entered into in April 2004. Under the license agreement Digeo Interactive granted to Charter Holdco the right to use Digeo's proprietary software for the number of DVR units that Charter deployed from a maximum of 10 headends through year-end 2004. This maximum number of headends was increased from 10 to 15 pursuant to a letter agreement executed on June 11, 2004 and the date for entering into license agreements for units deployed was extended to June 30, 2005. The number of headends was increased from 15 to 20 pursuant to a letter

agreement dated August 4, 2004, from 20 to 30 pursuant to a letter agreement dated September 28, 2004 and from 30 to 50 headends by a letter agreement in February 2005. The license granted for each unit deployed under the agreement is valid for five years. In addition, Charter will pay certain other fees including a per-headend license fee and maintenance fees. Maximum license and maintenance fees during the term of the agreement are expected to be approximately $7 million. The agreement provides that Charter is entitled to receive contract terms, considered on the whole, and license fees, considered apart from other contract terms, no less favorable than those accorded to any other Digeo customer. Charter paid approximately $1 million in license and maintenance fees for each of the three and nine months ended September 30, 2005.

In April 2004, the Company launched DVR service using units containing the Digeo software in Charter's Rochester, Minnesota market using a broadband media center that is an integrated set-top terminal with a cable converter, DVR hard drive and connectivity to other consumer electronics devices (such as stereos, MP3 players, and digital cameras).

In May 2004, Charter Holdco entered into a binding term sheet with Digeo Interactive for the development, testing and purchase of 70,000 Digeo PowerKey DVR units. The term sheet provided that the parties would proceed in good faith to negotiate, prior to year-end 2004, definitive agreements for the development, testing and purchase of the DVR units and that the parties would enter into a license agreement for Digeo's proprietary software on terms substantially similar to the terms of the license agreement described above. In November 2004, Charter Holdco and Digeo Interactive executed the license agreement and in December 2004, the parties executed the purchase agreement, each on terms substantially similar to the binding term sheet. Product development and testing has been completed. Total purchase price and license and maintenance fees during the term of the definitive agreements are expected to be approximately $41 million. The definitive agreements are terminable at no penalty to Charter in certain circumstances. Charter paid approximately $7 million and $9 million for the three and nine months ended September 30, 2005, respectively, and $0.2 million for each of the three and nine months ended September 30, 2004 in capital purchases under this agreement.

In late 2003, Microsoft sued Digeo for $9 million in a breach of contract action, involving an agreement that Digeo and Microsoft had entered into in 2001. Digeo informed us that it believed it had an indemnification claim against us for half that amount. Digeo settled with Microsoft agreeing to make a cash payment and to purchase certain amounts of Microsoft software products and consulting services through 2008. In consideration of Digeo agreeing to release us from its potential claim against us, after consultation with outside counsel we agreed, in June 2005, to purchase a total of $2.3 million in Microsoft consulting services through 2008, a portion of which amounts Digeo has informed us will count against Digeo's purchase obligations with Microsoft.

In October 2005, Charter Holdco and Digeo Interactive entered into a binding Term Sheet for the test market deployment of the Moxi Entertainment Applications Pack ("MEAP"). The MEAP is an addition to the Moxi Client Software and will contain ten games (such as Video Poker and Blackjack), a photo application and jukebox application. The term sheet is limited to a test market application of approximately 14,000 subscribers and the aggregate value is not expected to exceed $0.1 million. In the event the test market proves successful, the companies will replace the Term Sheet with a long form agreement including a planned roll-out across additional markets. The Term Sheet expires on May 1, 2006.

The Company believes that Vulcan Ventures, an entity controlled by Mr. Allen, owns an approximate 60% equity interest in Digeo, Inc., on a fully-converted non-diluted basis. Mr. Allen, Lance Conn and Jo Allen Patton, directors of Charter, are directors of Digeo, and Mr. Vogel was a director of Digeo in 2004. During 2004 and 2005, Mr. Vogel held options to purchase 10,000 shares of Digeo common stock.

Oxygen Media LLC

Oxygen Media LLC ("Oxygen") provides programming content aimed at the female audience for distribution over cable systems and satellite. On July 22, 2002, Charter Holdco entered into a carriage agreement with Oxygen whereby the Company agreed to carry programming content from Oxygen. Under the carriage agreement, the Company currently makes Oxygen programming available to approximately 5 million of its video customers. The term of the

carriage agreement was retroactive to February 1, 2000, the date of launch of Oxygen programming by the Company, and runs for a period of five years from that date. For the three and nine months ended September 30, 2005, the Company paid Oxygen approximately $2 million and $7 million, respectively, and for the three and nine months ended September 30, 2004, the Company paid Oxygen approximately $3 million and $11 million, respectively, for programming content. In addition, Oxygen pays the Company marketing support fees for customers launched after the first year of the term of the carriage agreement up to a total of $4 million. The Company recorded approximately $0.1 million related to these launch incentives as a reduction of programming expense for the nine months ended September 30, 2005 and $0.4 million and $1 million for the three and nine months ended September 30, 2004, respectively.

Concurrently with the execution of the carriage agreement, Charter Holdco entered into an equity issuance agreement pursuant to which Oxygen's parent company, Oxygen Media Corporation ("Oxygen Media"), granted a subsidiary of Charter Holdco a warrant to purchase 2.4 million shares of Oxygen Media common stock for an exercise price of $22.00 per share. In February 2005, this warrant expired unexercised. Charter Holdco was also to receive unregistered shares of Oxygen Media common stock with a guaranteed fair market value on the date of issuance of $34 million, on or prior to February 2, 2005, with the exact date to be determined by Oxygen Media, but this commitment was later revised as discussed below.

The Company recognized the guaranteed value of the investment over the life of the carriage agreement as a reduction of programming expense. For the nine months ended September 30, 2005, the Company recorded approximately $2 million as a reduction of programming expense and for the three and nine months ended September 30, 2004, the Company recorded approximately $3 million and $11 million as a reduction of programming expense, respectively. The carrying value of the Company's investment in Oxygen was approximately $33 million and $32 million as of September 30, 2005 and December 31, 2004, respectively.

In August 2004, Charter Holdco and Oxygen entered into agreements that amended and renewed the carriage agreement. The amendment to the carriage agreement (a) revises the number of the Company's customers to which Oxygen programming must be carried and for which the Company must pay, (b) releases Charter Holdco from any claims related to the failure to achieve distribution benchmarks under the carriage agreement, (c) requires Oxygen to make payment on outstanding receivables for marketing support fees due to the Company under the carriage agreement and (d) requires that Oxygen provide its programming content to the Company on economic terms no less favorable than Oxygen provides to any other cable or satellite operator having fewer subscribers than the Company. The renewal of the carriage agreement (a) extends the period that the Company will carry Oxygen programming to the Company's customers through January 31, 2008 and (b) requires license fees to be paid based on customers receiving Oxygen programming, rather than for specific customer benchmarks.

In August 2004, Charter Holdco and Oxygen also amended the equity issuance agreement to provide for the issuance of 1 million shares of Oxygen Preferred Stock with a liquidation preference of $33.10 per share plus accrued dividends to Charter Holdco on February 1, 2005 in place of the $34 million of unregistered shares of Oxygen Media common stock. Oxygen Media delivered these shares in March 2005. The preferred stock is convertible into common stock after December 31, 2007 at a conversion ratio per share of preferred stock, the numerator of which is the liquidation preference and the denominator of which is the fair market value per share of Oxygen Media common stock on the conversion date.

As of September 30, 2005, through Vulcan Programming, Mr. Allen owned an approximate 31% interest in Oxygen assuming no exercises of outstanding warrants or conversion or exchange of convertible or exchangeable securities. Ms. Jo Allen Patton is a director and the President of Vulcan Programming. Mr. Lance Conn is a Vice President of Vulcan Programming. Mr. Nathanson has an indirect beneficial interest of less than 1% in Oxygen.

Helicon

In 1999, the Company purchased the Helicon cable systems. As part of that purchase, Mr. Allen entered into a put agreement with a certain seller of the Helicon cable systems that received a portion of the purchase price in the form of a preferred membership interest in Charter Helicon, LLC with a redemption price of $25 million plus accrued interest.

Under the Helicon put agreement, such holder had the right to sell any or all of the interest to Mr. Allen prior to its mandatory redemption in cash on July 30, 2009. On August 31, 2005, 40% of the preferred membership interest was put to Mr. Allen. The remaining 60% of the preferred interest in Charter Helicon, LLC remained subject to the put to Mr. Allen. Such preferred interest was recorded in other long-term liabilities as of September 30, 2005 and December 31, 2004. On October 6, 2005, Charter Helicon, LLC redeemed all of the preferred membership interest for the redemption price of $25 million plus accrued interest.

21. Subsequent Events

In October 2005, Charter repurchased 484,908 shares of its Series A Convertible Redeemable Preferred Stock (the "Preferred Stock") for an aggregate purchase price of approximately $29 million (or $60 per share). The shares had liquidation preference of approximately $48 million and had accrued but unpaid dividends of approximately $3 million. Following the repurchase, 60,351 shares of Preferred Stock remained outstanding.

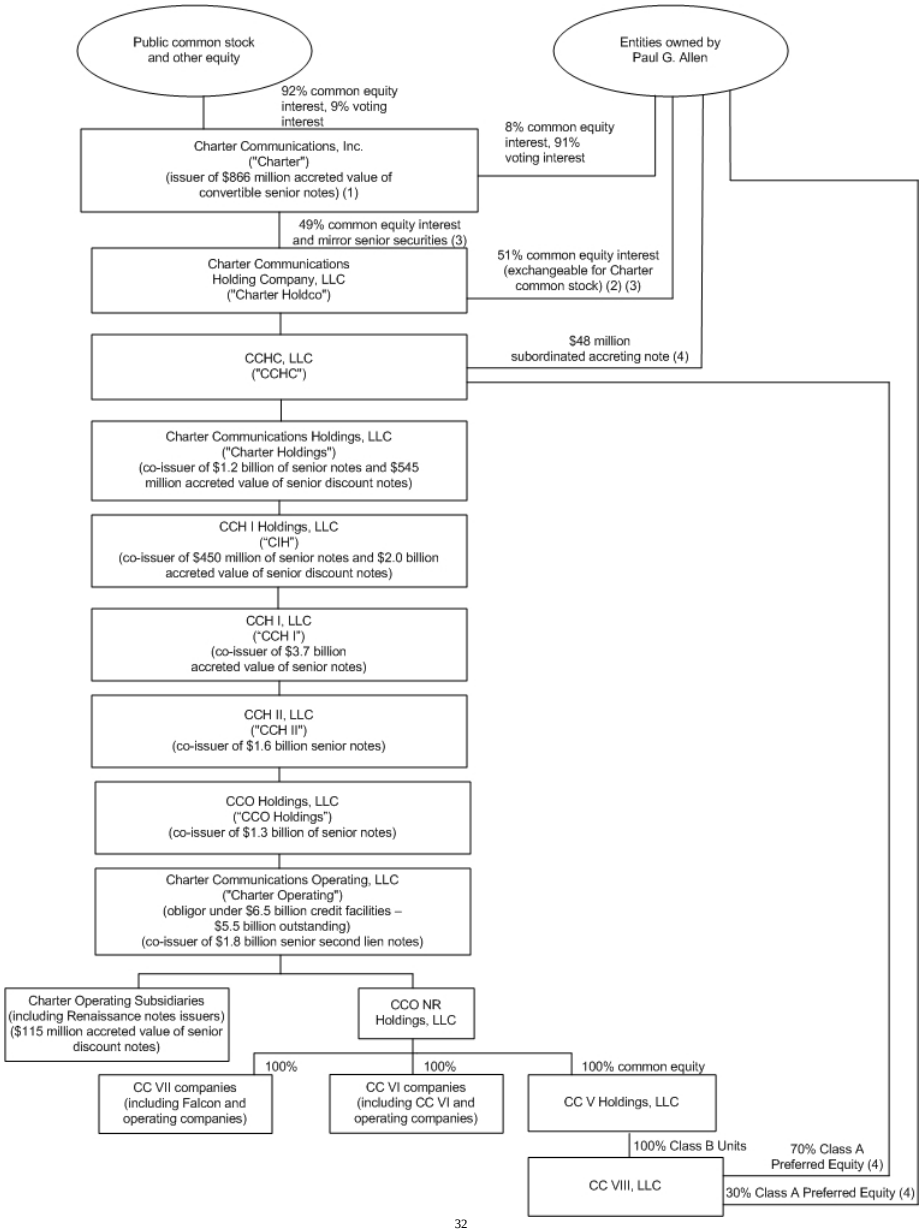
In connection with the repurchase, the holders of Preferred Stock consented to an amendment to the Certificate of Designation governing the Preferred Stock that will eliminate the quarterly dividends on all of the outstanding Preferred Stock and will provide that the liquidation preference for the remaining shares outstanding will be $105.4063 per share, which amount shall accrete from September 30, 2005 at an annual rate of 7.75%, compounded quarterly. Certain holders of Preferred Stock also released Charter from various threatened claims relating to their acquisition and ownership of the Preferred Stock, including threatened claims for breach of contract.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

General

Charter Communications, Inc. ("Charter") is a holding company whose principal assets as of September 30, 2005 are a 48% controlling common equity interest in Charter Communications Holding Company, LLC ("Charter Holdco") and "mirror" notes that are payable by Charter Holdco to Charter and have the same principal amount and terms as Charter's convertible senior notes. "We," "us" and "our" refer to Charter and its subsidiaries.

The chart below sets forth our organizational structure and that of our principal direct and indirect subsidiaries pro forma for the creation of CCHC, LLC and settlement of the CC VIII, LLC dispute. See Note 20 to the condensed consolidated financial statements. Equity ownership and voting percentages are actual percentages as of September 30, 2005 and do not give effect to any exercise, conversion or exchange of options, preferred stock, convertible notes or other convertible or exchangeable securities.



(1) Charter acts as the sole manager of Charter Holdco and its direct and indirect limited liability company subsidiaries. Charter's certificate of incorporation requires that its principal assets be securities of Charter Holdco, the terms of which mirror the terms of securities issued by Charter.

(2) These membership units are held by Charter Investment, Inc. and Vulcan Cable III Inc., each of which is 100% owned by Paul G. Allen, our chairman and controlling shareholder. They are exchangeable at any time on a one-for-one basis for shares of Charter Class A common stock.

(3) The percentages shown in this table reflect the issuance of the 27.2 million shares of Class A common stock issued on July 29, 2005 and the corresponding issuance of an equal number of mirror membership units by Charter Holdco to Charter. However, for accounting purposes, Charter's common equity interest in Charter Holdco is 48%, and Paul G. Allen's ownership of Charter Holdco is 52%. These percentages exclude the 27.2 million mirror membership units issued to Charter due to the required return of the issued mirror units upon return of the shares offered pursuant to the share lending agreement. See Note 8 to the condensed consolidated financial statements.

(4) Represents the impact of the settlement of the CC VIII, LLC dispute. See Note 20 to the condensed consolidated financial statements.

We are a broadband communications company operating in the United States. We offer our customers traditional cable video programming (analog and digital video) as well as high-speed Internet services and, in some areas, advanced broadband services such as high definition television, video on demand, telephone and interactive television. We sell our cable video programming, high-speed Internet and advanced broadband services on a subscription basis.

The following table summarizes our customer statistics for analog and digital video, residential high-speed Internet and residential telephone as of September 30, 2005 and 2004:

	Approximate as of	
	September 30, 2005 (a)	**September 30, 2004 (a)**
Cable Video Services:		
Analog Video:		
Residential (non-bulk) analog video customers (b)	5,636,100	5,825,000
Multi-dwelling (bulk) and commercial unit customers (c)	270,200	249,600
Total analog video customers (b)(c)	5,906,300	6,074,600
Digital Video:		
Digital video customers (d)	2,749,400	2,688,900
Non-Video Cable Services:		
Residential high-speed Internet customers (e)	2,120,000	1,819,900
Residential telephone customers (f)	89,900	40,200

The September 30, 2005 statistics presented above reflect the minimal loss of customers related to hurricanes Katrina and Rita. Based on preliminary estimates, customer losses related to hurricanes Katrina and Rita are expected to be approximately 10,000 to 15,000.

After giving effect to the sale of certain non-strategic cable systems in July 2005, September 30, 2004 analog video customers, digital video customers and high-speed Internet customers would have been 6,046,900, 2,677,600 and 1,819,300, respectively.

(a) "Customers" include all persons our corporate billing records show as receiving service (regardless of their payment status), except for complimentary accounts (such as our employees). At September 30, 2005 and 2004, "customers" include approximately 44,400 and 46,000 persons whose accounts were over 60 days past due in payment, approximately 9,800 and 5,500 persons whose accounts were over 90 days past due in

payment, and approximately 6,000 and 2,000 of which were over 120 days past due in payment, respectively.

(b) "Residential (non-bulk) analog video customers" include all customers who receive video services, except for complimentary accounts (such as our employees).

(c) Included within "video customers" are those in commercial and multi-dwelling structures, which are calculated on an equivalent bulk unit ("EBU") basis. EBU is calculated for a system by dividing the bulk price charged to accounts in an area by the most prevalent price charged to non-bulk residential customers in that market for the comparable tier of service. The EBU method of estimating analog video customers is consistent with the methodology used in determining costs paid to programmers and has been consistently applied year over year. As we increase our effective analog prices to residential customers without a corresponding increase in the prices charged to commercial service or multi-dwelling customers, our EBU count will decline even if there is no real loss in commercial service or multi-dwelling customers.

(d) "Digital video customers" include all households that have one or more digital set-top terminals. Included in "digital video customers" on September 30, 2005 and 2004 are approximately 8,900 and 10,700 customers, respectively, that receive digital video service directly through satellite transmission.

(e) "Residential high-speed Internet customers" represent those customers who subscribe to our high-speed Internet service. At September 30, 2005 and 2004, approximately 1,896,000 and 1,614,400 of these high-speed Internet customers, respectively, receive video services from us and are included within our video statistics above.

(f) "Residential telephone customers" include all households who subscribe to our telephone service.

Overview of Operations

We have a history of net losses. Despite having net earnings for the three months ended September 30, 2005, we expect to continue to report net losses for the foreseeable future. Our net losses are principally attributable to insufficient revenue to cover the combination of operating costs and interest costs we incur because of our high level of debt, depreciation expenses that we incur resulting from the capital investments we have made and continue to make in our business, and impairment of our franchise intangibles. We expect that these expenses (other than impairment of franchises) will remain significant, and we therefore expect to continue to report net losses for the foreseeable future. Additionally, reported losses allocated to minority interest on the statement of operations are limited to the extent of any remaining minority interest balance on the balance sheet related to Charter Holdco. Because minority interest in Charter Holdco has been eliminated, Charter absorbs all losses before income taxes that otherwise would be allocated to minority interest. Subject to any changes in Charter Holdco's capital structure, future losses will continue to be absorbed by Charter. Effective January 1, 2005, we ceased recognizing minority interest in earnings or losses of CC VIII, LLC for financial reporting purposes until the resolution of the dispute between Charter and Paul G. Allen, Charter's Chairman and controlling shareholder, regarding the preferred membership units in CC VIII, LLC was determinable or other events occurred. This dispute was settled October 31, 2005. We are currently determining the impact of the settlement. Subsequent to recording the impact of the settlement in the fourth quarter of 2005, approximately 6% of CC VIII's income will be allocated to minority interest.

For the three and nine months ended September 30, 2005, our income from operations, which includes depreciation and amortization expense and asset impairment charges but excludes interest expense, was $63 million and $224 million, respectively. For the three and nine months ended September 30, 2004, our loss from operations was $2.3 billion and $2.2 billion, respectively. We had operating margins of 5% and 6% for the three and nine months ended September 30, 2005, respectively, and negative operating margins of 188% and 58% for the three and nine months ended September 30, 2004, respectively. The increase in income from operations and operating margins for the three and nine months ended September 30, 2005 compared to 2004 was principally due to impairment of franchises of $2.4 billion recorded in 2004 which did not recur in 2005.

Historically, our ability to fund operations and investing activities has depended on our continued access to credit under our credit facilities. We expect we will continue to borrow under our credit facilities from time to time to fund cash needs. The occurrence of an event of default under our credit facilities could result in borrowings from

these credit facilities being unavailable to us and could, in the event of a payment default or acceleration, also trigger events of default under the indentures governing our outstanding notes and would have a material adverse effect on us. Approximately $7 million of our debt matures during the remainder of 2005, which we expect to fund through borrowings under our revolving credit facility. See "— Liquidity and Capital Resources."

Critical Accounting Policies and Estimates

For a discussion of our critical accounting policies and the means by which we develop estimates therefore, see "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2004 Annual Report on Form 10-K.

RESULTS OF OPERATIONS

Three Months Ended September 30, 2005 Compared to Three Months Ended September 30, 2004

The following table sets forth the percentages of revenues that items in the accompanying condensed consolidated statements of operations constituted for the periods presented (dollars in millions, except per share and share data):

	Three Months Ended September 30,			
	2005		2004	
Revenues	$ 1,318	100%	$ 1,248	100%
Costs and expenses:				
Operating (excluding depreciation and amortization)	586	45%	525	42%
Selling, general and administrative	269	20%	252	20%
Depreciation and amortization	375	29%	371	30%
Impairment of franchises	--	--	2,433	195%
Loss on sale of assets, net	1	--	--	--
Option compensation expense, net	3	--	8	1%
Hurricane asset retirement loss	19	1%	--	--
Special charges, net	2	--	3	--
	1,255	95%	3,592	288%
Income (loss) from operations	63	5%	(2,344)	(188)%
Interest expense, net	(462)		(424)	
Gain (loss) on derivative instruments and hedging activities, net	17		(8)	
Gain on extinguishment of debt	490		--	
	45		(432)	
Income (loss) before minority interest, income taxes and cumulative effect of accounting change	108		(2,776)	
Minority interest	(3)		34	
Income (loss) before income taxes and cumulative effect of accounting change	105		(2,742)	
Income tax benefit (expense)	(29)		213	
Income (loss) before cumulative effect of accounting change	76		(2,529)	
Cumulative effect of accounting change, net of tax	--		(765)	
Net income (loss)	76		(3,294)	
Dividends on preferred stock - redeemable	(1)		(1)	
Net income (loss) applicable to common stock	$ 75		$ (3,295)	
Earnings (loss) per common share:				
Basic	$ 0.24		$ (10.89)	
Diluted	$ 0.09		$ (10.89)	
Weighted average common shares outstanding, basic	316,214,740		302,604,978	
Weighted average common shares outstanding, diluted	1,012,591,842		302,604,978	

Revenues. Revenues increased by $70 million, or 6%, from $1.2 billion for the three months ended September 30, 2004 to $1.3 billion for the three months ended September 30, 2005. This increase is principally the result of an increase of 300,100 high-speed Internet and 60,500 digital video customers, as well as price increases for video and high-speed Internet services, and is offset partially by a decrease of 168,300 analog video customers and $6 million of credits issued to hurricane Katrina impacted customers related to service outages. Through September and October, we have been restoring service to our impacted customers and, as of the date of this report, substantially all of our customers' service has been restored. Included in the reduction in analog video customers and reducing the increase in digital video and high-speed Internet customers are 26,800 analog video customers, 12,000 digital video customers and 600 high-speed Internet customers sold in the cable system sales in Texas and West Virginia, which closed in July 2005 (referred to in this section as the "System Sales"). The System Sales reduced the increase in revenues by approximately $4 million. Our goal is to increase revenues by improving customer service, which we believe will stabilize our analog video customer base, implementing price increases on certain services and packages and increasing the number of customers who purchase high-speed Internet services, digital video and advanced products and services such as telephone, video on demand ("VOD"), high definition television and digital video recorder service.

Average monthly revenue per analog video customer increased to $74.15 for the three months ended September 30, 2005 from $68.15 for the three months ended September 30, 2004 primarily as a result of incremental revenues from advanced services and price increases. Average monthly revenue per analog video customer represents total quarterly revenue, divided by three, divided by the average number of analog video customers during the respective period.

Revenues by service offering were as follows (dollars in millions):

	Three Months Ended September 30,					
	2005		2004		2005 over 2004	
	Revenues	% of Revenues	Revenues	% of Revenues	Change	% Change
Video	$ 848	64%	$ 839	67%	$ 9	1%
High-speed Internet	230	18%	189	15%	41	22%
Advertising sales	74	6%	73	6%	1	1%
Commercial	71	5%	61	5%	10	16%
Other	95	7%	86	7%	9	10%
	$ 1,318	100%	$ 1,248	100%	$ 70	6%

Video revenues consist primarily of revenues from analog and digital video services provided to our non-commercial customers. Video revenues increased by $9 million, or 1%, from $839 million for the three months ended September 30, 2004 to $848 million for the three months ended September 30, 2005. Approximately $34 million of the increase was the result of price increases and incremental video revenues from existing customers and approximately $3 million was the result of an increase in digital video customers. The increases were offset by decreases of approximately $20 million related to a decrease in analog video customers, approximately $3 million resulting from the System Sales and approximately $5 million of credits issued to hurricanes Katrina and Rita impacted customers related to service outages.

Revenues from high-speed Internet services provided to our non-commercial customers increased $41 million, or 22%, from $189 million for the three months ended September 30, 2004 to $230 million for the three months ended September 30, 2005. Approximately $34 million of the increase related to the increase in the average number of customers receiving high-speed Internet services, whereas approximately $8 million related to the increase in average price of the service. The increase was offset by approximately $1 million of credits issued to hurricanes Katrina and Rita impacted customers related to service outages.

Advertising sales revenues consist primarily of revenues from commercial advertising customers, programmers and other vendors. Advertising sales increased $1 million, or 1%, from $73 million for the three months ended September 30, 2004 to $74 million for the three months ended September 30, 2005, primarily as a result of $2 million ad buys by programmers offset by a decline in national advertising sales. For each of the three months

ended September 30, 2005 and 2004, we received $5 million and $3 million, respectively, in advertising sales revenues from vendors.

Commercial revenues consist primarily of revenues from cable video and high-speed Internet services to our commercial customers. Commercial revenues increased $10 million, or 16%, from $61 million for the three months ended September 30, 2004 to $71 million for the three months ended September 30, 2005, primarily as a result of an increase in commercial high-speed Internet revenues.

Other revenues consist of revenues from franchise fees, telephone revenue, equipment rental, customer installations, home shopping, dial-up Internet service, late payment fees, wire maintenance fees and other miscellaneous revenues. Other revenues increased $9 million, or 10%, from $86 million for the three months ended September 30, 2004 to $95 million for the three months ended September 30, 2005. The increase was primarily the result of an increase in franchise fees of $6 million, telephone revenue of $5 million and installation revenue of $2 million.

***Operating Expenses*.** Operating expenses increased $61 million, or 12%, from $525 million for the three months ended September 30, 2004 to $586 million for the three months ended September 30, 2005. The increase in operating expenses was reduced by $2 million as a result of the System Sales. Programming costs included in the accompanying condensed consolidated statements of operations were $357 million and $328 million, representing 28% and 9% of total costs and expenses for the three months ended September 30, 2005 and 2004, respectively. Key expense components as a percentage of revenues were as follows (dollars in millions):

	Three Months Ended September 30,					
	2005		2004		2005 over 2004	
	Expenses	% of Revenues	Expenses	% of Revenues	Change	% Change
Programming	$ 357	27%	$ 328	26%	$ 29	9%
Service	203	16%	173	14%	30	17%
Advertising sales	26	2%	24	2%	2	8%
	$ 586	45%	$ 525	42%	$ 61	12%

Programming costs consist primarily of costs paid to programmers for analog, premium, digital channels, VOD and pay-per-view programming. The increase in programming costs of $29 million, or 9%, for the three months ended September 30, 2005 over the three months ended September 30, 2004, was a result of price increases, particularly in sports programming, partially offset by a decrease in analog video customers. Additionally, the increase in programming costs was reduced by $1 million as a result of the System Sales. Programming costs were offset by the amortization of payments received from programmers in support of launches of new channels of $9 million and $15 million for the three months ended September 30, 2005 and 2004, respectively.

Our cable programming costs have increased in every year we have operated in excess of U.S. inflation and cost-of-living increases, and we expect them to continue to increase because of a variety of factors, including inflationary or negotiated annual increases, additional programming being provided to customers and increased costs to purchase or produce programming. In 2005, programming costs have increased and we expect will continue to increase at a higher rate than in 2004. These costs will be determined in part on the outcome of programming negotiations in 2005 and will likely be subject to offsetting events or otherwise affected by factors similar to the ones mentioned in the preceding paragraph. Our increasing programming costs will result in declining operating margins for our video services to the extent we are unable to pass on cost increases to our customers. We expect to partially offset any resulting margin compression from our traditional video services with revenue from advanced video services, increased high-speed Internet revenues, advertising revenues and commercial service revenues.

Service costs consist primarily of service personnel salaries and benefits, franchise fees, system utilities, costs of providing high-speed Internet service, maintenance and pole rent expense. The increase in service costs of $30 million, or 17%, resulted primarily from increased labor and maintenance costs to support improved service levels and our advanced products, higher fuel prices and pole rent expense. Advertising sales expenses consist of costs related to traditional advertising services provided to advertising customers, including salaries, benefits and commissions. Advertising sales expenses increased $2 million, or 8%, for the three months ended September 30,

2005 compared to the three months ended September 30, 2004 primarily as a result of increased salaries and benefits and an increase in marketing.

Selling, General and Administrative Expenses. Selling, general and administrative expenses increased by $17 million, or 7%, from $252 million for the three months ended September 30, 2004 to $269 million for the three months ended September 30, 2005. The increase in selling, general and administrative expenses was reduced by $1 million as a result of the System Sales. Key components of expense as a percentage of revenues were as follows (dollars in millions):

	Three Months Ended September 30,					
	2005		2004		2005 over 2004	
	Expenses	% of Revenues	Expenses	% of Revenues	Change	% Change
General and administrative	$ 231	17%	$ 220	18%	$ 11	5%
Marketing	38	3%	32	2%	6	19%
	$ 269	20%	$ 252	20%	$ 17	7%

General and administrative expenses consist primarily of salaries and benefits, rent expense, billing costs, call center costs, internal network costs, bad debt expense and property taxes. The increase in general and administrative expenses of $11 million, or 5%, resulted primarily from increases in professional fees associated with consulting services of $11 million and a rise in salaries and benefits of $10 million related to increased emphasis on improved service levels and operational efficiencies offset by decreases in property taxes of $4 million, property and casualty insurance of $4 million, bad debt expense of $3 million and the System Sales of $1 million.

Marketing expenses increased $6 million, or 19%, as a result of an increased investment in targeted marketing campaigns.

Depreciation and Amortization. Depreciation and amortization expense increased by $4 million, or 1%, from $371 million for the three months ended September 30, 2004 to $375 million for the three months ended September 30, 2005. The increase in depreciation was related to an increase in capital expenditures.

Impairment of Franchises. We performed an impairment assessment during the third quarter of 2004 using an independent third-party appraiser. The use of lower projected growth rates and the resulting revised estimates of future cash flows in our valuation, primarily as a result of increased competition, led to the recognition of a $2.4 billion impairment charge for the three months ended September 30, 2004.

Loss on Sale of Assets, Net. The loss on sale of assets of $1 million for the three months ended September 30, 2005 primarily represents the loss recognized on the disposition of plant and equipment.

Option Compensation Expense, Net. Option compensation expense for the three months ended September 30, 2005 and 2004 primarily represents options expensed in accordance with SFAS No. 123, *Accounting for Stock-Based Compensation*. The decrease of $5 million, or 63%, from $8 million for the three months ended September 30, 2004 to $3 million for the three months ended September 30, 2005 is primarily a result of a decrease in the fair value of such options related to a decrease in the price of our Class A common stock combined with a decrease in the number of options issued.

Hurricane Asset Retirement Loss. Hurricane asset retirement loss represents the loss associated with the write-off of the net book value of assets destroyed by hurricanes Katrina and Rita in the third quarter of 2005.

Special Charges, Net. Special charges of $2 million for the three months ended September 30, 2005 primarily represents $1 million of severance and related costs of our management realignment and $1 million related to legal settlements. Special charges of $3 million for the three months ended September 30, 2004 represents $6 million of severance and related costs of our workforce reduction offset by $3 million received from a third party in settlement of a dispute.

Interest Expense, Net. Net interest expense increased by $38 million, or 9%, from $424 million for the three months ended September 30, 2004 to $462 million for the three months ended September 30, 2005. The increase in net interest expense was a result of an increase in our average borrowing rate from 8.84% in the third quarter of 2004 to 9.07% in the third quarter of 2005 and an increase of $770 million in average debt outstanding from $18.4 billion for the third quarter of 2004 compared to $19.2 billion for the third quarter of 2005 and $1 million in losses related to embedded derivatives in Charter's 5.875% convertible senior notes issued in November 2004. See Note 10 to the condensed consolidated financial statements.

Gain (Loss) on Derivative Instruments and Hedging Activities, Net. Net gain on derivative instruments and hedging activities increased $25 million from a loss of $8 million for the three months ended September 30, 2004 to a gain of $17 million for the three months ended September 30, 2005. The increase is primarily the result of an increase in gains on interest rate agreements that do not qualify for hedge accounting under SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities*, which increased from a loss of $9 million for the three months ended September 30, 2004 to a gain of $16 million for the three months ended September 30, 2005.

Gain on Extinguishment of Debt. Gain on extinguishment of debt of $490 million for the three months ended September 30, 2005 represents the net gain realized on the exchange of approximately $6.8 billion total principal amount of outstanding debt securities of Charter Holdings for new CCH I, LLC ("CCH I") and CCH I Holdings, LLC ("CIH") debt securities. See Note 6 to the condensed consolidated financial statements.

Minority Interest. Minority interest represents the 2% accretion of the preferred membership interests in our indirect subsidiary, CC VIII, LLC, and in the second quarter of 2004, the pro rata share of the profits and losses of CC VIII, LLC. Effective January 1, 2005, we ceased recognizing minority interest in earnings or losses of CC VIII for financial reporting purposes until the dispute between Charter and Mr. Allen regarding the preferred membership interests in CC VIII was resolved. This dispute was settled October 31, 2005. See Note 7 to the condensed consolidated financial statements. Additionally, reported losses allocated to minority interest on the statement of operations are limited to the extent of any remaining minority interest on the balance sheet related to Charter Holdco. Because minority interest in Charter Holdco is eliminated, Charter absorbs all losses before income taxes that otherwise would be allocated to minority interest. Subject to any changes in Charter Holdco's capital structure, future losses will continue to be substantially absorbed by Charter.

Income Tax Benefit (Expense). Income tax expense of $29 million and income tax benefit of $213 million was recognized for the three months ended September 30, 2005 and 2004, respectively. The income tax expense is recognized through increases in deferred tax liabilities related to our investment in Charter Holdco, as well as through current federal and state income tax expense and increases in the deferred tax liabilities of certain of our indirect corporate subsidiaries. The income tax benefit was realized as a result of decreases in certain deferred tax liabilities related to our investment in Charter Holdco as well as decreases in the deferred tax liabilities of certain of our indirect corporate subsidiaries.

The income tax benefit recognized in the three months ended September 30, 2004 was directly related to the impairment of franchises as discussed above. We do not expect to recognize a similar benefit associated with the impairment of franchises in future periods. However, the actual tax provision calculations in future periods will be the result of current and future temporary differences, as well as future operating results.

Cumulative Effect of Accounting Change, Net of Tax. Cumulative effect of accounting change of $765 million (net of minority interest effects of $19 million and tax effects of $91 million) in 2004 represents the impairment charge recorded as a result of our adoption of EITF Topic D-108.

Net Income (Loss). Net loss decreased by $3.4 billion from net loss of $3.3 billion for the three months ended September 30, 2004 to net income of $76 million for the three months ended September 30, 2005 as a result of the factors described above.

Preferred Stock Dividends. On August 31, 2001, Charter issued 505,664 shares (and on February 28, 2003 issued an additional 39,595 shares) of Series A Convertible Redeemable Preferred Stock in connection with the Cable USA acquisition, on which Charter pays or accrues a quarterly cumulative cash dividend at an annual rate of 5.75% if paid or 7.75% if accrued on a liquidation preference of $100 per share. Beginning January 1, 2005, Charter is accruing the dividend on its Series A Convertible Redeemable Preferred Stock.

Income (Loss) Per Common Share. Basic loss per common share decreased by $11.13 from a loss of $10.89 per common share for the three months ended September 30, 2004 to income of $0.24 per common share for the three months ended September 30, 2005 as a result of the factors described above.

Nine Months Ended September 30, 2005 Compared to Nine Months Ended September 30, 2004

The following table sets forth the percentages of revenues that items in the accompanying consolidated statements of operations constituted for the periods presented (dollars in millions, except per share and share data):

	Nine Months Ended September 30,			
	2005		2004	
Revenues	$ 3,912	100%	$ 3,701	100%
Costs and expenses:				
Operating (excluding depreciation and amortization)	1,714	44%	1,552	42%
Selling, general and administrative	762	19%	735	20%
Depreciation and amortization	1,134	29%	1,105	30%
Impairment of franchises	--	--	2,433	66%
Asset impairment charges	39	1%	--	--
(Gain) loss on sale of assets, net	5	--	(104)	(3)%
Option compensation expense, net	11	--	34	1%
Hurricane asset retirement loss	19	1%	--	--
Special charges, net	4	--	100	2%
	3,688	94%	5,855	158%
Income (loss) from operations	224	6%	(2,154)	(58)%
Interest expense, net	(1,333)		(1,227)	
Gain on derivative instruments and hedging activities, net	43		48	
Loss on debt to equity conversions	--		(23)	
Gain (loss) on extinguishment of debt	498		(21)	
Gain on investments	21		--	
	(771)		(1,223)	
Loss before minority interest, income taxes and cumulative effect of accounting change	(547)		(3,377)	
Minority interest	(9)		24	
Loss before income taxes and cumulative effect of accounting change	(556)		(3,353)	
Income tax benefit (expense)	(75)		116	
Loss before cumulative effect of accounting change	(631)		(3,237)	
Cumulative effect of accounting change, net of tax	--		(765)	
Net loss	(631)		(4,002)	
Dividends on preferred stock - redeemable	(3)		(3)	
Net loss applicable to common stock	$ (634)		$ (4,005)	
Loss per common share, basic and diluted	$ (2.06)		$ (13.38)	
Weighted average common shares outstanding, basic and diluted	307,761,930		299,411,053	

Revenues. Revenues increased by $211 million, or 6%, from $3.7 billion for the nine months ended September 30, 2004 to $3.9 billion for the nine months ended September 30, 2005. This increase is principally the result of an increase of 300,100 and 60,500 high-speed Internet and digital video customers, respectively, as well as price increases for video and high-speed Internet services, and is offset partially by a decrease of 168,300 analog video customers and $6 million of credits issued to hurricane Katrina impacted customers related to service outages. Through September and October, we have been restoring service to our impacted customers and, as of the date of this report, substantially all of our customers' service has been restored. Included in the reduction in analog video customers and reducing the increase in digital video and high-speed Internet customers are 26,800 analog video customers, 12,000 digital video customers and 600 high-speed Internet customers sold in the cable system sales in Texas and West Virginia, which closed in July 2005. The cable system sales to Atlantic Broadband Finance, LLC, which closed in March and April 2004 and the cable system sales in Texas and West Virginia, which closed in July 2005 (referred to in this section as the "System Sales") reduced the increase in revenues by approximately $33 million. Our goal is to increase revenues by improving customer service, which we believe will stabilize our analog video customer base, implementing price increases on certain services and packages and increasing the number of customers who purchase high-speed Internet services, digital video and advanced products and services such as telephone, VOD, high definition television and digital video recorder service.

Average monthly revenue per analog video customer increased to $72.97 for the nine months ended September 30, 2005 from $66.24 for the nine months ended September 30, 2004 primarily as a result of incremental revenues from advanced services and price increases. Average monthly revenue per analog video customer represents total revenue for the nine months ended during the respective period, divided by nine, divided by the average number of analog video customers during the respective period.

Revenues by service offering were as follows (dollars in millions):

	Nine Months Ended September 30,					
	2005		2004		2005 over 2004	
	Revenues	% of Revenues	Revenues	% of Revenues	Change	% Change
Video	$ 2,551	65%	$ 2,534	68%	$ 17	1%
High-speed Internet	671	17%	538	14%	133	25%
Advertising sales	214	6%	205	6%	9	4%
Commercial	205	5%	175	5%	30	17%
Other	271	7%	249	7%	22	9%
	$ 3,912	100%	$ 3,701	100%	$ 211	6%

Video revenues consist primarily of revenues from analog and digital video services provided to our non-commercial customers. Video revenues increased by $17 million for the nine months ended September 30, 2005 compared to the nine months ended September 30, 2004. Approximately $102 million of the increase was the result of price increases and incremental video revenues from existing customers and approximately $11 million resulted from an increase in digital video customers. The increases were offset by decreases of approximately $66 million related to a decrease in analog video customers, approximately $25 million resulting from the System Sales and approximately $5 million of credits issued to hurricanes Katrina and Rita impacted customers related to service outages.

Revenues from high-speed Internet services provided to our non-commercial customers increased $133 million, or 25%, from $538 million for the nine months ended September 30, 2004 to $671 million for the nine months ended September 30, 2005. Approximately $101 million of the increase related to the increase in the average number of customers receiving high-speed Internet services, whereas approximately $36 million related to the increase in average price of the service. The increase in high-speed Internet revenues was reduced by approximately $3 million as a result of the System Sales and $1 million of credits issued to hurricanes Katrina and Rita impacted customers related to service outages.

Advertising sales revenues consist primarily of revenues from commercial advertising customers, programmers and other vendors. Advertising sales increased $9 million, or 4%, from $205 million for the nine months ended September 30, 2004 to $214 million for the nine months ended September 30, 2005, primarily as a result of an

increase in local advertising sales and an increase of $3 million in advertising sales revenues from vendors offset by a decline in national advertising sales. In addition, the increase was offset by a decrease of $1 million as a result of the System Sales. For the nine months ended September 30, 2005 and 2004, we received $12 million and $9 million, respectively, in advertising sales revenues from vendors.

Commercial revenues consist primarily of revenues from cable video and high-speed Internet services to our commercial customers. Commercial revenues increased $30 million, or 17%, from $175 million for the nine months ended September 30, 2004 to $205 million for the nine months ended September 30, 2005, primarily as a result of an increase in commercial high-speed Internet revenues. The increase was reduced by approximately $3 million as a result of the System Sales.

Other revenues consist of revenues from franchise fees, telephone revenue, equipment rental, customer installations, home shopping, dial-up Internet service, late payment fees, wire maintenance fees and other miscellaneous revenues. Other revenues increased $22 million, or 9%, from $249 million for the nine months ended September 30, 2004 to $271 million for the nine months ended September 30, 2005. The increase was primarily the result of an increase in telephone revenue of $11 million, franchise fees of $11 million and installation revenue of $7 million and was partially offset by approximately $2 million as a result of the System Sales.

Operating Expenses. Operating expenses increased $162 million, or 10%, from $1.6 billion for the nine months ended September 30, 2004 to $1.7 billion for the nine months ended September 30, 2005. The increase in operating expenses was reduced by $13 million as a result of the System Sales. Programming costs included in the accompanying condensed consolidated statements of operations were $1.1 billion and $991 million, representing 29% and 17% of total costs and expenses for the nine months ended September 30, 2005 and 2004, respectively. Key expense components as a percentage of revenues were as follows (dollars in millions):

	Nine Months Ended September 30,					
	2005		2004		2005 over 2004	
	Expenses	% of Revenues	Expenses	% of Revenues	Change	% Change
Programming	$ 1,066	27%	$ 991	27%	$ 75	8%
Service	572	15%	489	13%	83	17%
Advertising sales	76	2%	72	2%	4	6%
	$ 1,714	44%	$ 1,552	42%	$ 162	10%

Programming costs consist primarily of costs paid to programmers for analog, premium, digital channels, VOD and pay-per-view programming. The increase in programming costs of $75 million, or 8%, for the nine months ended September 30, 2005 over the nine months ended September 30, 2004 was a result of price increases, particularly in sports programming, partially offset by decreases in analog video customers. Additionally, the increase in programming costs was reduced by $10 million as a result of the System Sales. Programming costs were offset by the amortization of payments received from programmers in support of launches of new channels of $27 million and $47 million for the nine months ended September 30, 2005 and 2004, respectively. Programming costs for the nine months ended September 30, 2004 also include a $5 million reduction related to the settlement of a dispute with TechTV, Inc. See Note 20 to the condensed consolidated financial statements.

Our cable programming costs have increased in every year we have operated in excess of U.S. inflation and cost-of-living increases, and we expect them to continue to increase because of a variety of factors, including inflationary or negotiated annual increases, additional programming being provided to customers and increased costs to purchase programming. In 2005, programming costs have increased and we expect will continue to increase at a higher rate than in 2004. These costs will be determined in part on the outcome of programming negotiations in 2005 and will likely be subject to offsetting events or otherwise affected by factors similar to the ones mentioned in the preceding paragraph. Our increasing programming costs will result in declining operating margins for our video services to the extent we are unable to pass on cost increases to our customers. We expect to partially offset any resulting margin compression from our traditional video services with revenue from advanced video services, increased high-speed Internet revenues, advertising revenues and commercial service revenues.

Service costs consist primarily of service personnel salaries and benefits, franchise fees, system utilities, costs of providing high-speed Internet service, maintenance and pole rent expense. The increase in service costs of $83 million, or 17%, resulted primarily from increased labor and maintenance costs to support improved service levels and our advanced products, higher fuel prices and pole rent expense. The increase in service costs was reduced by $3 million as a result of the System Sales. Advertising sales expenses consist of costs related to traditional advertising services provided to advertising customers, including salaries, benefits and commissions. Advertising sales expenses increased $4 million, or 6%, primarily as a result of increased salary, benefit and commission costs.

Selling, General and Administrative Expenses. Selling, general and administrative expenses increased by $27 million, or 4%, from $735 million for the nine months ended September 30, 2004 to $762 million for the nine months ended September 30, 2005. The increase in selling, general and administrative expenses was reduced by $5 million as a result of the System Sales. Key components of expense as a percentage of revenues were as follows (dollars in millions):

	Nine Months Ended September 30,					
	2005		2004		2005 over 2004	
	Expenses	% of Revenues	Expenses	% of Revenues	Change	% Change
General and administrative	$ 658	17%	$ 636	17%	$ 22	3%
Marketing	104	2%	99	3%	5	5%
	$ 762	19%	$ 735	20%	$ 27	4%

General and administrative expenses consist primarily of salaries and benefits, rent expense, billing costs, call center costs, internal network costs, bad debt expense and property taxes. The increase in general and administrative expenses of $22 million, or 3%, resulted primarily from increases in professional fees associated with consulting services of $28 million and a rise in salaries and benefits of $21 million related to increased emphasis on improved service levels and operational efficiencies, offset by decreases in bad debt expense of $13 million, property and casualty insurance of $7 million and the System Sales of $5 million.

Marketing expenses increased $5 million, or 5%, as a result of an increased investment in targeted marketing campaigns.

Depreciation and Amortization. Depreciation and amortization expense increased by $29 million, or 3%, as a result of an increase in capital expenditures.

Impairment of Franchises. We performed an impairment assessment during the third quarter of 2004 using an independent third-party appraiser. The use of lower projected growth rates and the resulting revised estimates of future cash flows in our valuation, primarily as a result of increased competition, led to the recognition of a $2.4 billion impairment charge for the nine months ended September 30, 2004.

Asset Impairment Charges. Asset impairment charges for the nine months ended September 30, 2005 represent the write-down of assets related to pending cable asset sales to fair value less costs to sell. See Note 3 to the condensed consolidated financial statements.

(Gain) Loss on Sale of Assets, Net. Loss on sale of assets of $5 million for the nine months ended September 30, 2005 primarily represents the loss recognized on the disposition of plant and equipment. Gain on sale of assets of $104 million for the nine months ended September 30, 2004 primarily represents the pretax gain realized on the sale of systems to Atlantic Broadband Finance, LLC which closed on March 1 and April 30, 2004.

Option Compensation Expense, Net. Option compensation expense of $11 million for the nine months ended September 30, 2005 primarily represents options expensed in accordance with SFAS No. 123. Option compensation expense of $34 million for the nine months ended September 30, 2004 primarily represents the expense of approximately $9 million related to a stock option exchange program under which our employees were offered the right to exchange all stock options (vested and unvested) issued under the 1999 Charter Communications Option Plan and 2001 Stock Incentive Plan that had an exercise price over $10 per share for shares of restricted Charter

Class A common stock or, in some instances, cash. The exchange offer closed in February 2004. Additionally, during the nine months ended September 30, 2004, we recognized approximately $8 million related to the performance shares granted under the Charter Long-Term Incentive Program and approximately $17 million related to options granted following the adoption of SFAS No. 123.

Hurricane Asset Retirement Loss. Hurricane asset retirement loss represents the loss associated with the write-off of the net book value of assets destroyed by hurricanes Katrina and Rita in the third quarter of 2005.

Special Charges, Net. Special charges of $4 million for the nine months ended September 30, 2005 represents $5 million of severance and related costs of our management realignment and $1 million related to legal settlements offset by approximately $2 million related to an agreed upon cash discount on settlement of the consolidated Federal Class Action and Federal Derivative Action. See "— Legal Proceedings." Special charges of $100 million for the nine months ended September 30, 2004 represents approximately $85 million as part of the terms set forth in memoranda of understanding regarding settlement of the consolidated Federal Class Action and Federal Derivative Action and approximately $9 million of litigation costs related to the tentative settlement of the South Carolina national class action suit, which were approved by the respective courts and approximately $9 million of severance and related costs of our workforce reduction. For the nine months ended September 30, 2004, the severance costs were offset by $3 million received from a third party in settlement of a dispute.

Interest Expense, Net. Net interest expense increased by $106 million, or 9%, from $1.2 billion for the nine months ended September 30, 2004 to $1.3 billion for the nine months ended September 30, 2005. The increase in net interest expense was a result of an increase of $757 million in average debt outstanding from $18.4 billion for the nine months ended September 30, 2004 compared to $19.2 billion for the nine months ended September 30, 2005 and an increase in our average borrowing rate from 8.61% in the nine months ended September 30, 2004 to 8.95% in the nine months ended September 30, 2005 combined with approximately $11 million of liquidated damages on our 5.875% convertible senior notes. This was offset partially by $26 million in gains related to embedded derivatives in Charter's 5.875% convertible senior notes issued in November 2004. See Note 10 to the condensed consolidated financial statements.

Gain on Derivative Instruments and Hedging Activities, Net. Net gain on derivative instruments and hedging activities decreased $5 million from $48 million for the nine months ended September 30, 2004 to $43 million for the nine months ended September 30, 2005. The decrease is primarily a result of a decrease in gains on interest rate agreements that do not qualify for hedge accounting under SFAS No. 133, which decreased from $45 million for the nine months ended September 30, 2004 to $41 million for the nine months ended September 30, 2005.

Loss on debt to equity conversions. Loss on debt to equity conversions of $23 million for the nine months ended September 30, 2004 represents the loss recognized from privately negotiated exchanges in the aggregate of $30 million principal amount of Charter's 5.75% convertible senior notes held by two unrelated parties for shares of Charter Class A common stock, which resulted in the issuance of more shares in the exchange transaction than would have been issued under the original terms of the convertible senior notes.

Gain (loss) on extinguishment of debt. Gain on extinguishment of debt of $498 million for the nine months ended September 30, 2005 primarily represents approximately $490 million related to the exchange of approximately $6.8 billion total principal amount of outstanding debt securities of Charter Holdings in a private placement for new debt securities, approximately $10 million related to the issuance of Charter Communications Operating, LLC ("Charter Operating") notes in exchange for Charter Holdings notes and approximately $4 million related to the repurchase of $131 million principal amount of our 4.75% convertible senior notes due 2006. These gains were offset by approximately $5 million of losses related to the redemption of our subsidiary's, CC V Holdings, LLC, 11.875% notes due 2008. See Note 6 to the condensed consolidated financial statements. Loss on extinguishment of debt of $21 million for the nine months ended September 30, 2004 represents the write-off of deferred financing fees and third party costs related to the Charter Operating refinancing in April 2004.

Gain on investments. Gain on investments of $21 million for the nine months ended September 30, 2005 primarily represents a gain realized on an exchange of our interest in an equity investee for an investment in a larger enterprise.

Minority Interest. Minority interest represents the 2% accretion of the preferred membership interests in our indirect subsidiary, CC VIII, LLC, and in 2004, the pro rata share of the profits and losses of CC VIII, LLC. Effective

January 1, 2005, we ceased recognizing minority interest in earnings or losses of CC VIII for financial reporting purposes until the dispute between Charter and Mr. Allen regarding the preferred membership interests in CC VIII was resolved. This dispute was settled October 31, 2005. See Note 7 to the condensed consolidated financial statements. Additionally, reported losses allocated to minority interest on the statement of operations are limited to the extent of any remaining minority interest on the balance sheet related to Charter Holdco. Because minority interest in Charter Holdco is eliminated, Charter absorbs all losses before income taxes that otherwise would be allocated to minority interest. Subject to any changes in Charter Holdco's capital structure, future losses will continue to be substantially absorbed by Charter.

Income Tax Benefit (Expense). Income tax expense of $75 million and income tax benefit of $116 million was recognized for the nine months ended September 30, 2005 and 2004, respectively. The income tax expense is recognized through increases in deferred tax liabilities related to our investment in Charter Holdco, as well as through current federal and state income tax expense and increases in the deferred tax liabilities of certain of our indirect corporate subsidiaries. The income tax benefit was realized as a result of decreases in certain deferred tax liabilities related to our investment in Charter Holdco as well as decreases in the deferred tax liabilities of certain of our indirect corporate subsidiaries.

The income tax benefit recognized in the nine months ended September 30, 2004 was directly related to the impairment of franchises as discussed above. We do not expect to recognize a similar benefit associated with the impairment of franchises in future periods. However, the actual tax provision calculations in future periods will be the result of current and future temporary differences, as well as future operating results.

Net Loss. Net loss decreased by $3.4 billion, from $4.0 billion for the nine months ended September 30, 2004 to $631 million for the nine months ended September 30, 2005 as a result of the factors described above.

Preferred stock dividends. On August 31, 2001, Charter issued 505,664 shares (and on February 28, 2003 issued an additional 39,595 shares) of Series A Convertible Redeemable Preferred Stock in connection with the Cable USA acquisition, on which Charter pays a quarterly cumulative cash dividends at an annual rate of 5.75% if paid or 7.75% if accrued on a liquidation preference of $100 per share. Beginning January 1, 2005, Charter is accruing the dividend on its Series A Convertible Redeemable Preferred Stock.

Loss Per Common Share. The loss per common share decreased by $11.32, from $13.38 per common share for the nine months ended September 30, 2004 to $2.06 per common share for the nine months ended September 30, 2005 as a result of the factors described above.

Liquidity and Capital Resources

Introduction

This section contains a discussion of our liquidity and capital resources, including a discussion of our cash position, sources and uses of cash, access to credit facilities and other financing sources, historical financing activities, cash needs, capital expenditures and outstanding debt.

Overview

We have a significant level of debt. For the remainder of 2005, $7 million of our debt matures, and in 2006, an additional $55 million matures. In 2007 and beyond, significant additional amounts will become due under our remaining long-term debt obligations.

In September 2005, Charter Holdings and its wholly owned subsidiaries, CCH I and CIH, completed the exchange of approximately $6.8 billion total principal amount of outstanding debt securities of Charter Holdings in a private placement for new debt securities. Holders of Charter Holdings notes due in 2009 and 2010 exchanged $3.4 billion principal amount of notes for $2.9 billion principal amount of new 11% CCH I senior secured notes due 2015. Holders of Charter Holdings notes due 2011 and 2012 exchanged $845 million principal amount of notes for $662 million principal amount of 11% CCH I senior secured notes due 2015. In addition, holders of Charter Holdings notes due 2011 and 2012 exchanged $2.5 billion principal amount of notes for $2.5 billion principal amount of various series of new CIH notes. Each series of new CIH notes has the same stated interest rate and provisions for

payment of cash interest as the series of old Charter Holdings notes for which such CIH notes were exchanged. In addition, the maturities for each series were extended three years.

Our business requires significant cash to fund debt service costs, capital expenditures and ongoing operations. We have historically funded our debt service costs, operating activities and capital requirements through cash flows from operating activities, borrowings under our credit facilities, sales of assets, issuances of debt and equity securities and cash on hand. However, the mix of funding sources changes from period to period. For the nine months ended September 30, 2005, we generated $118 million of net cash flows from operating activities after paying cash interest of $1.2 billion. In addition, we used approximately $815 million for purchases of property, plant and equipment. Finally, we had net cash flows used in financing activities of $17 million. We expect that our mix of sources of funds will continue to change in the future based on overall needs relative to our cash flow and on the availability of funds under our credit facilities, our access to the debt and equity markets, the timing of possible asset sales and our ability to generate cash flows from operating activities. We continue to explore asset dispositions as one of several possible actions that we could take in the future to improve our liquidity, but we do not presently consider future asset sales as a significant source of liquidity.

In October 2005, CCO Holdings, LLC ("CCO Holdings") and CCO Holdings Capital Corp., as guarantor thereunder, entered into a senior bridge loan agreement (the "Bridge Loan") with JPMorgan Chase Bank, N.A., Credit Suisse, Cayman Islands Branch and Deutsche Bank AG Cayman Islands Branch (the "Lenders") whereby the Lenders have committed to make loans to CCO Holdings in an aggregate amount of $600 million. CCO Holdings may draw upon the facility between January 2, 2006 and September 29, 2006 and the loans will mature on the sixth anniversary of the first borrowing under the Bridge Loan.

We expect that cash on hand, cash flows from operating activities and the amounts available under our credit facilities and Bridge Loan will be adequate to meet our cash needs for the remainder of 2005 and 2006. Cash flows from operating activities and amounts available under our credit facilities and Bridge Loan may not be sufficient to fund our operations and satisfy our interest payment obligations in 2007. It is likely that we will require additional funding to satisfy our debt repayment obligations in 2007. We believe that cash flows from operating activities and amounts available under our credit facilities and Bridge Loan will not be sufficient to fund our operations and satisfy our interest and principal repayment obligations thereafter.

We are working with our financial advisors to address our funding requirements. However, there can be no assurance that such funding will be available to us. Although Paul G. Allen, Charter’s Chairman and controlling shareholder, and his affiliates have purchased equity from us in the past, Mr. Allen and his affiliates are not obligated to purchase equity from, contribute to or loan funds to us in the future.

Credit Facilities and Covenants

Our ability to operate depends upon, among other things, our continued access to capital, including credit under the Charter Operating credit facilities. These credit facilities, along with our indentures and Bridge Loan, contain certain restrictive covenants, some of which require us to maintain specified financial ratios and meet financial tests and to provide audited financial statements with an unqualified opinion from our independent auditors. As of September 30, 2005, we were in compliance with the covenants under our indentures and credit facilities and we expect to remain in compliance with those covenants and the Bridge Loan covenants for the next twelve months. Our total potential borrowing availability under the current credit facilities totaled $786 million as of September 30, 2005, although the actual availability at that time was only $648 million because of limits imposed by covenant restrictions. In addition, effective January 2, 2006, we will have additional borrowing availability of $600 million as a result of the Bridge Loan. Continued access to our credit facilities and Bridge Loan is subject to our remaining in compliance with the covenants of these credit facilities and Bridge Loan, including covenants tied to our operating performance. If our operating performance results in non-compliance with these covenants, or if any of certain other events of non-compliance under these credit facilities, Bridge Loan or indentures governing our debt occur, funding under the credit facilities and Bridge Loan may not be available and defaults on some or potentially all of our debt obligations could occur. An event of default under the covenants governing any of our debt instruments could result in the acceleration of our payment obligations under that debt and, under certain circumstances, in cross-defaults under our other debt obligations, which could have a material adverse effect on our consolidated financial condition and results of operations.

Specific Limitations

Our ability to make interest payments on our convertible senior notes, and, in 2006 and 2009, to repay the outstanding principal of our convertible senior notes of $25 million and $863 million, respectively, will depend on our ability to raise additional capital and/or on receipt of payments or distributions from Charter Holdco or its subsidiaries, including Charter Holdings, CIH, CCH I, CCH II, LLC ("CCH II"), CCO Holdings and Charter Operating. During the nine months ended September 30, 2005, Charter Holdings distributed $60 million to Charter Holdco. As of September 30, 2005, Charter Holdco was owed $57 million in intercompany loans from its subsidiaries, which were available to pay interest and principal on Charter's convertible senior notes. In addition, Charter has $123 million of governmental securities pledged as security for the next five semi-annual interest payments on Charter's 5.875% convertible senior notes.

Distributions by Charter's subsidiaries to a parent company (including Charter and Charter Holdco) for payment of principal on parent company notes are restricted by the Bridge Loan and indentures governing the CIH notes, CCH I notes, CCH II notes, CCO Holdings notes, and Charter Operating notes, unless under their respective indentures there is no default and a specified leverage ratio test is met at the time of such event. For the quarter ended September 30, 2005, there was no default under any of the aforementioned indentures. However, CCO Holdings did not meet its leverage ratio test of 4.5 to 1.0. As a result, distributions from CCO Holdings to CCH II, CCH I, CIH, Charter Holdings, Charter Holdco or Charter for payment of principal of the respective parent company's debt are currently restricted and will continue to be restricted until that test is met. However distributions for payment of the respective parent company's interest are permitted.

The indentures governing the Charter Holdings notes permit Charter Holdings to make distributions to Charter Holdco for payment of interest or principal on the convertible senior notes, only if, after giving effect to the distribution, Charter Holdings can incur additional debt under the leverage ratio of 8.75 to 1.0, there is no default under Charter Holdings' indentures and other specified tests are met. For the quarter ended September 30, 2005, there was no default under Charter Holdings' indentures and other specified tests were met. However, Charter Holdings did not meet the leverage ratio of 8.75 to 1.0 based on September 30, 2005 financial results. As a result, distributions from Charter Holdings to Charter or Charter Holdco for payment of interest or principal on the convertible senior notes are currently restricted and will continue to be restricted until that test is met. During this restriction period, the indentures governing the Charter Holdings notes permit Charter Holdings and its subsidiaries to make specified investments in Charter Holdco or Charter, up to an amount determined by a formula, as long as there is no default under the indentures.

Our significant amount of debt could negatively affect our ability to access additional capital in the future. No assurances can be given that we will not experience liquidity problems if we do not obtain sufficient additional financing on a timely basis as our debt becomes due or because of adverse market conditions, increased competition or other unfavorable events. If, at any time, additional capital or borrowing capacity is required beyond amounts internally generated or available under our credit facilities or through additional debt or equity financings, we would consider:

- issuing equity that would significantly dilute existing shareholders;
- issuing convertible debt or some other securities that may have structural or other priority over our existing notes and may also significantly dilute Charter's existing shareholders;
- further reducing our expenses and capital expenditures, which may impair our ability to increase revenue;
- selling assets; or
- requesting waivers or amendments with respect to our credit facilities, the availability and terms of which would be subject to market conditions.

If the above strategies are not successful, we could be forced to restructure our obligations or seek protection under the bankruptcy laws. In addition, if we need to raise additional capital through the issuance of equity or find it necessary to engage in a recapitalization or other similar transaction, our shareholders could suffer significant dilution and our noteholders might not receive principal and interest payments to which they are contractually entitled.

Sale of Assets

In July 2005, we closed the sale of certain cable systems in Texas and West Virginia and closed the sale of an additional cable system in Nebraska in October 2005 for a total sales price of approximately $37 million, representing a total of approximately 33,000 customers.

In March 2004, we closed the sale of certain cable systems in Florida, Pennsylvania, Maryland, Delaware and West Virginia to Atlantic Broadband Finance, LLC. We closed the sale of an additional cable system in New York to Atlantic Broadband Finance, LLC in April 2004. The total net proceeds from the sale of all of these systems were approximately $735 million. The proceeds were used to repay a portion of amounts outstanding under our revolving credit facility.

Long-Term Debt

As of September 30, 2005 and December 31, 2004, long-term debt totaled approximately $19.1 billion and $19.5 billion, respectively. This debt was comprised of approximately $5.5 billion and $5.5 billion of credit facility debt, $12.7 billion and $13.0 billion accreted value of high-yield notes and $866 million and $990 million accreted value of convertible senior notes, respectively. As of September 30, 2005 and December 31, 2004, the weighted average interest rate on the credit facility debt was approximately 7.5% and 6.8%, respectively, the weighted average interest rate on the high-yield notes was approximately 10.2% and 9.9%, respectively, and the weighted average interest rate on the convertible notes was approximately 5.8% and 5.7%, respectively, resulting in a blended weighted average interest rate of 9.2% and 8.8%, respectively. The interest rate on approximately 80% and 83% of the total principal amount of our debt was effectively fixed, including the effects of our interest rate hedge agreements as of September 30, 2005 and December 31, 2004, respectively.

4.75% Convertible Senior Notes due 2006. During the nine months ended September 30, 2005, we repurchased, in private transactions, from a small number of institutional holders, a total of $131 million principal amount of our 4.75% convertible senior notes due 2006. Approximately $25 million principal amount of these notes remain outstanding.

Issuance of Charter Operating Notes in Exchange for Charter Holdings Notes. In March and June 2005, our subsidiary, Charter Operating, consummated exchange transactions with a small number of institutional holders of Charter Holdings 8.25% senior notes due 2007 pursuant to which Charter Operating issued, in private placement, approximately $333 million principal amount of its 8.375% senior second lien notes due 2014 in exchange for approximately $346 million of the Charter Holdings 8.25% senior notes due 2007. The Charter Holdings notes received in the exchange were thereafter distributed to Charter Holdings and cancelled.

CC V Holdings, LLC Notes. The Charter Operating credit facilities required us to redeem the CC V Holdings, LLC notes as a result of the Charter Holdings leverage ratio becoming less than 8.75 to 1.0. In satisfaction of this requirement, in March 2005, CC V Holdings, LLC redeemed all of its 11.875% notes due 2008, at 103.958% of principal amount, plus accrued and unpaid interest to the date of redemption. The total cost of redemption was approximately $122 million and was funded through borrowings under our credit facilities. Following such redemption, CC V Holdings, LLC and its subsidiaries (other than non-guarantor subsidiaries) guaranteed the Charter Operating credit facilities and granted a lien on all of their assets as to which a lien can be perfected under the Uniform Commercial Code by the filing of a financing statement.

Historical Operating, Financing and Investing Activities

We held $22 million in cash and cash equivalents as of September 30, 2005 compared to $650 million as of December 31, 2004. For the nine months ended September 30, 2005, we generated $118 million of net cash flows from operating activities after paying cash interest of $1.2 billion. In addition, we used approximately $815 million for purchases of property, plant and equipment. Finally, we had net cash flows used in financing activities of $17 million.

Operating Activities. Net cash provided by operating activities decreased $265 million, or 69%, from $383 million for the nine months ended September 30, 2004 to $118 million for the nine months ended September 30, 2005. For the nine months ended September 30, 2005, net cash provided by operating activities decreased primarily as a result

of changes in operating assets and liabilities that used $144 million more cash during the nine months ended September 30, 2005 than the corresponding period in 2004 combined with an increase in cash interest expense of $155 million over the corresponding prior period partially offset by an increase in revenue over cash costs.

Investing Activities. Net cash used by investing activities for the nine months ended September 30, 2005 was $729 million and net cash provided by investing activities for the nine months ended September 30, 2004 was $50 million. Investing activities used $779 million more cash during the nine months ended September 30, 2005 than the corresponding period in 2004 primarily as a result of increased cash used for capital expenditures in 2005 coupled with proceeds from the sale of certain cable systems to Atlantic Broadband Finance, LLC in 2004.

Financing Activities. Net cash used in financing activities decreased $414 million from $431 million for the nine months ended September 30, 2004 to $17 million for the nine months ended September 30, 2005. The decrease in cash used during the nine months ended September 30, 2005 as compared to the corresponding period in 2004, was primarily the result of a decrease in net repayments of long-term debt and in payments for debt issuance costs.

Capital Expenditures

We have significant ongoing capital expenditure requirements. Capital expenditures were $815 million and $639 million for the nine months ended September 30, 2005 and 2004, respectively. Capital expenditures increased as a result of increased spending on support capital related to our investment in service improvements and scalable infrastructure related to telephone services, VOD and digital simulcast. See the table below for more details.

Upgrading our cable systems has enabled us to offer digital television, high-speed Internet services, VOD, interactive services, additional channels and tiers, expanded pay-per-view options and telephone services to a larger customer base. Our capital expenditures are funded primarily from cash flows from operating activities, the issuance of debt and borrowings under credit facilities. In addition, during the nine months ended September 30, 2005 and 2004, our liabilities related to capital expenditures increased $36 million and decreased $23 million, respectively.

During 2005, we expect capital expenditures to be approximately $1 billion to $1.1 billion. The increase in capital expenditures for 2005 compared to 2004 is the result of expected increases in telephone services, deployment of advanced digital set-top terminals and capital expenditures to replace plant and equipment destroyed by hurricanes Katrina and Rita. We expect that the nature of these expenditures will continue to be composed primarily of purchases of customer premise equipment, support capital and for scalable infrastructure costs. We expect to fund capital expenditures for 2005 primarily from cash flows from operating activities and borrowings under our credit facilities.

We have adopted capital expenditure disclosure guidance, which was developed by eleven publicly traded cable system operators, including Charter, with the support of the National Cable & Telecommunications Association ("NCTA"). The disclosure is intended to provide more consistency in the reporting of operating statistics in capital expenditures and customers among peer companies in the cable industry. These disclosure guidelines are not required disclosure under GAAP, nor do they impact our accounting for capital expenditures under GAAP.

The following table presents our major capital expenditures categories in accordance with NCTA disclosure guidelines for the three and nine months ended September 30, 2005 and 2004 (dollars in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
Customer premise equipment (a)	$ 94	$ 119	$ 322	$ 345
Scalable infrastructure (b)	49	22	138	55
Line extensions (c)	37	41	114	94
Upgrade/Rebuild (d)	13	12	35	28
Support capital (e)	80	55	206	117
Total capital expenditures (f)	$ 273	$ 249	$ 815	$ 639

(a) Customer premise equipment includes costs incurred at the customer residence to secure new customers, revenue units and additional bandwidth revenues. It also includes customer installation costs in accordance with SFAS 51 and customer premise equipment (e.g., set-top terminals and cable modems, etc.).
(b) Scalable infrastructure includes costs, not related to customer premise equipment or our network, to secure growth of new customers, revenue units and additional bandwidth revenues or provide service enhancements (e.g., headend equipment).
(c) Line extensions include network costs associated with entering new service areas (e.g., fiber/coaxial cable, amplifiers, electronic equipment, make-ready and design engineering).
(d) Upgrade/rebuild includes costs to modify or replace existing fiber/coaxial cable networks, including betterments.
(e) Support capital includes costs associated with the replacement or enhancement of non-network assets due to technological and physical obsolescence (e.g., non-network equipment, land, buildings and vehicles).
(f) Represents all capital expenditures made during the three and nine months ended September 30, 2005 and 2004, respectively.

Certain Trends and Uncertainties

The following discussion highlights a number of trends and uncertainties, in addition to those discussed elsewhere in this quarterly report and in the "Critical Accounting Policies and Estimates" section of Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2004 Annual Report on Form 10-K, that could materially impact our business, results of operations and financial condition.

Substantial Leverage. We have a significant amount of debt. As of September 30, 2005, our total debt was approximately $19.1 billion. For the remainder of 2005, $7 million of our debt matures and in 2006, an additional $55 million matures. In 2007 and beyond, significant additional amounts will become due under our remaining obligations. We believe that, as a result of our significant levels of debt and operating performance, our access to the debt markets could be limited when substantial amounts of our current indebtedness become due. If our business does not generate sufficient cash flow from operating activities, and sufficient funds are not available to us from borrowings under our credit facilities or from other sources, we may not be able to repay our debt, fund our other liquidity and capital needs, grow our business or respond to competitive challenges. Further, if we are unable to repay or refinance our debt, as it becomes due, we could be forced to restructure our obligations or seek protection under the bankruptcy laws. If we were to raise capital through the issuance of additional equity or if we were to engage in a recapitalization or other similar transaction, our shareholders could suffer significant dilution and our noteholders might not receive all principal and interest payments to which they are contractually entitled on a timely basis or at all. For more information, see the section above entitled "— Liquidity and Capital Resources."

Restrictive Covenants. Our credit facilities, the Bridge Loan and the indentures governing our and our subsidiaries' other debt contain a number of significant covenants that could adversely impact our ability to operate our business, and therefore could adversely affect our results of operations and the price of our Class A common stock. These covenants restrict our and our subsidiaries' ability to:

- incur additional debt;
- repurchase or redeem equity interests and debt;
- issue equity;
- make certain investments or acquisitions;
- pay dividends or make other distributions;
- dispose of assets or merge;
- enter into related party transactions;
- grant liens; and
- pledge assets.

Furthermore, our credit facilities require us to, among other things, maintain specified financial ratios, meet specified financial tests and provide audited financial statements with an unqualified opinion from our independent auditors. Our ability to comply with these provisions may be affected by events beyond our control.

The breach of any covenants or obligations in the foregoing indentures or credit facilities, not otherwise waived or amended, could result in a default under the applicable debt agreement or instrument and could trigger acceleration

of the related debt, which in turn could trigger defaults under other agreements governing our long-term indebtedness. In addition, the secured lenders under the Charter Operating credit facilities and the Charter Operating senior second-lien notes could foreclose on their collateral, which includes equity interests in our subsidiaries, and exercise other rights of secured creditors. Any default under those credit facilities, the Bridge Loan, the indentures governing our convertible notes or our subsidiaries' debt could adversely affect our growth, our financial condition and our results of operations and our ability to make payments on our notes, the Bridge Loan and the credit facilities and other debt of our subsidiaries. For more information, see the section above entitled "— Liquidity and Capital Resources."

Liquidity. Our business requires significant cash to fund debt service costs, capital expenditures and ongoing operations. Our ongoing operations will depend on our ability to generate cash and to secure financing in the future. We have historically funded liquidity and capital requirements through cash flows from operating activities, borrowings under our credit facilities, issuances of debt and equity securities and cash on hand.

Our ability to operate depends upon, among other things, our continued access to capital, including credit under the Charter Operating credit facilities. These credit facilities are subject to certain restrictive covenants, some of which require us to maintain specified financial ratios and meet financial tests and to provide audited financial statements with an unqualified opinion from our independent auditors. As of September 30, 2005, we are in compliance with the covenants under our indentures and credit facilities, and we expect to remain in compliance with those covenants and the Bridge Loan covenants for the next twelve months. If our operating performance results in non-compliance with these covenants, or if any of certain other events of non-compliance under these credit facilities, the Bridge Loan or indentures governing our debt occurs, funding under the credit facilities and the Bridge Loan may not be available and defaults on some or potentially all of our debt obligations could occur. An event of default under the credit facilities, the Bridge Loan or indentures, if not waived, could result in the acceleration of those debt obligations and, consequently, other debt obligations. Such acceleration could result in exercise of remedies by our creditors and could force us to seek the protection of the bankruptcy laws, which could materially adversely impact our ability to operate our business and to make payments under our debt instruments. Our total potential borrowing availability under the current credit facilities totaled $786 million as of September 30, 2005, although the actual availability at that time was only $648 million because of limits imposed by covenant restrictions. In addition, effective January 2, 2006, we will have additional borrowing availability of $600 million as a result of the Bridge Loan.

If, at any time, additional capital or capacity is required beyond amounts internally generated or available under our credit facilities or through additional debt or equity financings, we would consider:

- issuing equity that would significantly dilute existing shareholders;
- issuing convertible debt or some other securities that may have structural or other priority over our existing notes and may also significantly dilute Charter's existing shareholders;
- further reducing our expenses and capital expenditures, which may impair our ability to increase revenue;
- selling assets; or
- requesting waivers or amendments with respect to our credit facilities, the availability and terms of which would be subject to market conditions.

If the above strategies were not successful, we could be forced to restructure our obligations or seek protection under the bankruptcy laws. If we were to raise additional capital through the issuance of equity or find it necessary to engage in a recapitalization or other similar transaction, our shareholders could suffer significant dilution and our noteholders might not receive all or any principal and interest payments to which they are contractually entitled. For more information, see the section above entitled "— Liquidity and Capital Resources."

Acceleration of Indebtedness of Charter's Subsidiaries. In the event of a default under our credit facilities, the Bridge Loan or notes, our creditors could elect to declare all amounts borrowed, together with accrued and unpaid interest and other fees, to be due and payable. In such event, our credit facilities, the Bridge Loan and indentures would not permit Charter's subsidiaries to distribute funds to Charter Holdco or Charter to pay interest or principal on their notes. If the amounts outstanding under such credit facilities, the Bridge Loan or notes are accelerated, all of the debt and liabilities of Charter's subsidiaries would be payable from the subsidiaries' assets, prior to any distribution of the subsidiaries' assets to pay the interest and principal amounts on Charter's notes. In addition, the lenders under our credit facilities could foreclose on their collateral, which includes equity interests in Charter's subsidiaries, and they could exercise other rights of secured creditors. In any such case, we might not be able to

repay or make any payments on our notes. Additionally, an acceleration or payment default under our credit facilities would cause a cross-default in the Bridge Loan and the indentures governing the Charter Holdings notes, CIH notes, CCH I notes, CCH II notes, CCO Holdings notes, Charter Operating notes and Charter's convertible senior notes and would trigger the cross-default provision of the Charter Operating credit agreement. Any default under any of our credit facilities, Bridge Loan or notes might adversely affect the holders of our notes and our growth, financial condition and results of operations and could force us to examine all options, including seeking the protection of the bankruptcy laws.

Charter Communications, Inc. Relies on its Subsidiaries to Meet its Liquidity Needs, and Charter's Convertible Senior Notes are Structurally Subordinated to all Liabilities of its Subsidiaries. We rely on our subsidiaries to make distributions or other payments to Charter Holdco and Charter to enable Charter to make payments on its convertible senior notes. The borrowers and guarantors under the Charter Operating credit facilities are Charter's indirect subsidiaries. A number of Charter's subsidiaries are also obligors under other debt instruments, including Charter Holdings, CIH, CCH I, CCH II, CCO Holdings and Charter Operating, which are each a co-issuer of senior notes, senior-second lien notes and/or senior discount notes. As of September 30, 2005, our total debt was approximately $19.1 billion, of which $18.3 billion was structurally senior to the Charter convertible senior notes. The Charter Operating credit facilities and the indentures governing the senior notes, senior discount notes and senior second-lien notes issued by subsidiaries of Charter contain restrictive covenants that limit the ability of such subsidiaries to make distributions or other payments to Charter Holdco or Charter.

In the event of a default under our credit facilities, the Bridge Loan or notes, our lenders or noteholders could elect to declare all amounts borrowed, together with accrued and unpaid interest and other fees, to be due and payable. An acceleration or certain payment events of default under our credit facilities would cause a cross-default in the Bridge Loan, the indentures governing the Charter Holdings notes, CIH notes, CCH I notes, CCH II notes, CCO Holdings notes, Charter Operating notes and Charter's convertible senior notes. Similarly, such a default or acceleration under any of these notes would cause a cross-default under the notes of the parent entities of the relevant entity. If the amounts outstanding under the credit facilities, the Bridge Loan or notes are accelerated, all of the debt and liabilities of Charter's subsidiaries would be payable from the subsidiaries' assets, prior to any distribution of the subsidiaries' assets to pay the interest and principal amounts on Charter's notes. In addition, the lenders under our credit facilities and noteholders under our Charter Operating notes could foreclose on their collateral, which includes equity interests in Charter's subsidiaries, and they could exercise other rights of secured creditors. Any default under any of our credit facilities, the Bridge Loan or notes could force us to examine all options, including seeking the protection of the bankruptcy laws. In the event of the bankruptcy, liquidation or dissolution of a subsidiary, following payment by such subsidiary of its liabilities, the lenders under our credit facilities and the holders of the other debt instruments and all other creditors of Charter's subsidiaries would have the right to be paid before holders of Charter's convertible senior notes from any of Charter's subsidiaries' assets. Such subsidiaries may not have sufficient assets remaining to make any payments to Charter as an equity holder or otherwise and may be restricted by bankruptcy and insolvency laws from making any such payments.

The foregoing contractual and legal restrictions could limit Charter's ability to make payments of principal and/or interest to the holders of its convertible senior notes. Further, if Charter made such payments by causing a subsidiary to make a distribution to it, and such transfer were deemed a fraudulent transfer or an unlawful distribution, the holders of Charter's convertible senior notes could be required to return the payment to (or for the benefit of) the creditors of its subsidiaries.

Securities Litigation. A number of putative federal class action lawsuits were filed against Charter and certain of its former and present officers and directors alleging violations of securities laws, which have been consolidated for pretrial purposes. In addition, a number of shareholder derivative lawsuits were filed against Charter in the same and other jurisdictions. A shareholders derivative suit was filed in the U.S. District Court for the Eastern District of Missouri against Charter and its then current directors. Also, three shareholders derivative suits were filed in Missouri state court against Charter, its then current directors and its former independent auditor. These state court actions have been consolidated. The federal shareholders derivative suit and the consolidated derivative suit each alleged that the defendants breached their fiduciary duties.

Charter entered into Stipulations of Settlement setting forth proposed terms of settlement for the above-described class actions and derivative suits. On May 23, 2005 the United States District Court for the Eastern District of

Missouri conducted the final fairness hearing for the Actions, and on June 30, 2005, the Court issued its final approval of the settlements. Members of the class had 30 days from the issuance of the June 30 order approving the settlement to file an appeal challenging the approval. Two notices of appeal were filed relating to the settlement. Those appeals were directed to the amount of fees that the attorneys for the class were to receive and to the fairness of the settlement. At the end of September 2005, Stipulations of Dismissal were filed with the Eighth Circuit Court of Appeals resulting in the dismissal of both appeals with prejudice. Procedurally therefore, the settlements are final. See "Part II, Item 1. Legal Proceedings."

Competition. The industry in which we operate is highly competitive, and has become more so in recent years. In some instances, we compete against companies with fewer regulatory burdens, easier access to financing, greater personnel resources, greater brand name recognition and long-established relationships with regulatory authorities and customers. Increasing consolidation in the cable industry and the repeal of certain ownership rules may provide additional benefits to certain of our competitors, either through access to financing, resources or efficiencies of scale.

Our principal competitor for video services throughout our territory is direct broadcast satellite television services, also known as DBS. Competition from DBS, including intensive marketing efforts and aggressive pricing, has had an adverse impact on our ability to retain customers. DBS has grown rapidly over the last several years and continues to do so. The cable industry, including Charter, has lost a significant number of subscribers to DBS competition, and we face serious challenges in this area in the future. We believe that competition from DBS service providers may present greater challenges in areas of lower population density and that our systems serve a higher concentration of such areas than those of other major cable service providers.

Local telephone companies and electric utilities can offer video and other services in competition with us and they increasingly may do so in the future. Certain telephone companies have begun more extensive deployment of fiber in their networks that will enable them to begin providing video services, as well as telephone and high-bandwidth Internet access services, to residential and business customers. Some of these telephone companies have obtained, and are now seeking, franchises or alternative authorizations that are less burdensome than existing Charter franchises. The subscription television industry also faces competition from free broadcast television and from other communications and entertainment media. Further loss of customers to DBS or other alternative video and data services could have a material negative impact on the value of our business and its performance.

With respect to our Internet access services, we face competition, including intensive marketing efforts and aggressive pricing, from telephone companies and other providers of "dial-up" and digital subscriber line technology, also known as DSL. DSL service is competitive with high-speed Internet service over cable systems. In addition, DBS providers have entered into joint marketing arrangements with Internet access providers to offer bundled video and Internet service, which competes with our ability to provide bundled services to our customers. Moreover, as we expand our telephone offerings, we will face considerable competition from established telephone companies.

In order to attract new customers, from time to time we make promotional offers, including offers of temporarily reduced-price or free service. These promotional programs result in significant advertising, programming and operating expenses, and also require us to make capital expenditures to acquire additional digital set-top terminals. Customers who subscribe to our services as a result of these offerings may not remain customers for any significant period of time following the end of the promotional period. A failure to retain existing customers and customers added through promotional offerings or to collect the amounts they owe us could have an adverse effect on our business and financial results.

Mergers, joint ventures and alliances among franchised, wireless or private cable operators, satellite television providers, telephone companies and others, and the repeal of certain ownership rules may provide additional benefits to some of our competitors, either through access to financing, resources or efficiencies of scale, or the ability to provide multiple services in direct competition with us.

Long-Term Indebtedness — Change of Control Payments. We may not have the ability to raise the funds necessary to fulfill our obligations under Charter's convertible senior notes, our senior and senior discount notes, our Bridge Loan and our credit facilities following a change of control. Under the indentures governing the Charter convertible senior notes, upon the occurrence of specified change of control events, Charter is required to offer to repurchase all of the outstanding Charter convertible senior notes. However, we may not have sufficient funds at the

time of the change of control event to make the required repurchase of the Charter convertible senior notes and Charter's subsidiaries are limited in their ability to make distributions or other payments to Charter to fund any required repurchase. In addition, a change of control under our credit facilities, Bridge Loan and indentures governing our notes could result in a default under those credit facilities and Bridge Loan and a required repayment of the notes under those indentures. Because such credit facilities, Bridge Loan and notes are obligations of Charter's subsidiaries, the credit facilities, Bridge Loan and the notes would have to be repaid by Charter's subsidiaries before their assets could be available to Charter to repurchase the Charter convertible senior notes. Charter's failure to make or complete a change of control offer would place it in default under the Charter convertible senior notes. The failure of Charter's subsidiaries to make a change of control offer or repay the amounts accelerated under their credit facilities and Bridge Loan would result in default under these agreements and could result in a default under the indentures governing the Charter convertible senior notes. See "— Certain Trends and Uncertainties — Liquidity."

Variable Interest Rates. At September 30, 2005, excluding the effects of hedging, approximately 32% of our debt bears interest at variable rates that are linked to short-term interest rates. In addition, a significant portion of our existing debt, assumed debt or debt we might arrange in the future will bear interest at variable rates. If interest rates rise, our costs relative to those obligations will also rise. As of September 30, 2005 and December 31, 2004, the weighted average interest rate on the credit facility debt was approximately 7.5% and 6.8%, respectively, the weighted average interest rate on the high-yield notes was approximately 10.2% and 9.9%, respectively, and the weighted average interest rate on the convertible notes was approximately 5.8% and 5.7%, respectively, resulting in a blended weighted average interest rate of 9.2% and 8.8%, respectively. The interest rate on approximately 80% and 83% of the total principal amount of our debt was effectively fixed, including the effects of our interest rate hedge agreements as of September 30, 2005 and December 31, 2004, respectively.

Services. We expect that a substantial portion of our near-term growth will be achieved through revenues from high-speed Internet services, digital video, bundled service packages, and to a lesser extent various commercial services that take advantage of cable's broadband capacity. We may not be able to offer these advanced services successfully to our customers or provide adequate customer service and these advanced services may not generate adequate revenues. Also, if the vendors we use for these services are not financially viable over time, we may experience disruption of service and incur costs to find alternative vendors. In addition, the technology involved in our product and service offerings generally requires that we have permission to use intellectual property and that such property not infringe on rights claimed by others. If it is determined that the product or service being utilized infringes on the rights of others, we may be sued or be precluded from using the technology.

Increasing Programming Costs. Programming has been, and is expected to continue to be, our largest operating expense item. In recent years, the cable industry has experienced a rapid escalation in the cost of programming, particularly sports programming. We expect programming costs to continue to increase because of a variety of factors, including inflationary or negotiated annual increases, additional programming being provided to customers and increased costs to purchase programming. The inability to fully pass these programming cost increases on to our customers would have an adverse impact on our cash flow and operating margins. As measured by programming costs, and excluding premium services (substantially all of which were renegotiated and renewed in 2003), as of September 30, 2005 approximately 9% of our current programming contracts were expired, and approximately another 20% are scheduled to expire at or before the end of 2005. There can be no assurance that these agreements will be renewed on favorable or comparable terms. To the extent that we are unable to reach agreement with certain programmers on terms that we believe are reasonable we may be forced to remove such programming channels from our line-up, which could result in a further loss of customers.

Utilization of Net Operating Loss Carryforwards. As of September 30, 2005, we had approximately $5.7 billion of tax net operating losses (resulting in a gross deferred tax asset of approximately $2.3 billion), expiring in the years 2005 through 2025. Due to uncertainties in projected future taxable income, valuation allowances have been established against the gross deferred tax assets for book accounting purposes except for deferred benefits available to offset certain deferred tax liabilities. Currently, such tax net operating losses can accumulate and be used to offset any of our future taxable income. An "ownership change" as defined in the applicable federal income tax rules, would place significant limitations, on an annual basis, on the use of such net operating losses to offset any future taxable income we may generate. Such limitations, in conjunction with the net operating loss expiration provisions, could effectively eliminate our ability to use a substantial portion of our net operating losses to offset future taxable income.

The issuance of up to a total of 150 million shares of common stock (of which 27.2 million were issued in July 2005) offered pursuant to a share lending agreement executed by Charter in connection with the issuance of the 5.875% convertible senior notes in November 2004, as well as possible future conversions of our convertible notes, significantly increases the risk that we will experience an ownership change in the future for tax purposes, resulting in a material limitation on the use of a substantial amount of our existing net operating loss carryforwards. We do not believe that the issuance of shares associated with the share lending agreement would result in our experiencing an ownership change. However, future transactions and the timing of such transactions could cause an ownership change. Such transactions include additional issuances of common stock by us (including but not limited to issuances upon future conversion of our 5.875% convertible senior notes or as issued in the proposed settlement of derivative class action litigation), reacquisitions of the borrowed shares by us, or acquisitions or sales of shares by certain holders of our shares, including persons who have held, currently hold, or accumulate in the future five percent or more of our outstanding stock (including upon an exchange by Mr. Allen or his affiliates, directly or indirectly, of membership units of Charter Holdco into our Class A common stock). Many of the foregoing transactions are beyond our control.

Class A Common Stock and Notes Price Volatility. The market price of our Class A common stock and our publicly traded notes has been and is likely to continue to be highly volatile. We expect that the price of our securities may fluctuate in response to various factors, including the factors described in this section and various other factors, which may be beyond our control. These factors beyond our control could include: financial forecasts by securities analysts; new conditions or trends in the cable or telecommunications industry; general economic and market conditions and specifically, conditions related to the cable or telecommunications industry; any change in our debt ratings; the development of improved or competitive technologies; the use of new products or promotions by us or our competitors; changes in accounting rules or interpretations; new regulatory legislation adopted in the United States; and any action taken or requirements imposed by NASDAQ if our Class A common stock trades below $1.00 per share for over 30 consecutive trading days. On October 28, 2005, our Class A common stock closed on NASDAQ at $1.20 per share.

In addition, the securities market in general, and the Nasdaq National Market and the market for cable television securities in particular, have experienced significant price fluctuations. Volatility in the market price for companies may often be unrelated or disproportionate to the operating performance of those companies. These broad market and industry factors may seriously harm the market price of our Class A common stock and our notes, regardless of our operating performance. In the past, securities litigation has often commenced following periods of volatility in the market price of a company's securities, and several purported class action lawsuits were filed against us in 2001 and 2002, following a decline in our stock price.

Economic Slowdown; Global Conflict. It is difficult to assess the impact that the general economic slowdown and global conflict will have on future operations. However, the economic slowdown has resulted and could continue to result in reduced spending by customers and advertisers, which could reduce our revenues, and also could affect our ability to collect accounts receivable and maintain customers. Reductions in operating revenues would likely negatively affect our ability to make expected capital expenditures and could also result in our inability to meet our obligations under our financing agreements. These developments could also have a negative impact on our financing and variable interest rate agreements through disruptions in the market or negative market conditions.

Regulation and Legislation. Cable system operations are extensively regulated at the federal, state, and local level, including rate regulation of basic service and equipment and municipal approval of franchise agreements and their terms, such as franchise requirements to upgrade cable plant and meet specified customer service standards. Additional legislation and regulation is always possible. In fact, there has been legislative activity at the state level to streamline cable franchising and there is proposed legislation in the United States Congress to overhaul traditional communications regulation and cable franchising.

Cable operators also face significant regulation of their channel carriage. They currently can be required to devote substantial capacity to the carriage of programming that they would not carry voluntarily, including certain local broadcast signals, local public, educational and government access programming, and unaffiliated commercial leased access programming. This carriage burden could increase in the future, particularly if cable systems were required to carry both the analog and digital versions of local broadcast signals (dual carriage) or to carry multiple program streams included within a single digital broadcast transmission (multicast carriage). Additional government mandated broadcast carriage obligations could disrupt existing programming commitments, interfere with our preferred use of limited channel capacity and limit our ability to offer services that would maximize

customer appeal and revenue potential. Although the FCC issued a decision on February 10, 2005 confirming an earlier ruling against mandating either dual carriage or multicast carriage, that decision has been appealed. In addition, the FCC could modify its position or Congress could legislate additional carriage obligations.

Over the past several years, proposals have been advanced that would require cable operators offering Internet service to provide non-discriminatory access to their networks to competing Internet service providers. In a June 2005 ruling, commonly referred to as *Brand X*, the Supreme Court upheld an FCC decision making it less likely that any non-discriminatory "open" access requirements (which are generally associated with common carrier regulation of "telecommunications services") will be imposed on the cable industry by local, state or federal authorities. The Supreme Court held that the FCC was correct in classifying cable-provided Internet service as an "information service," rather than a "telecommunications service." This favorable regulatory classification limits the ability of various governmental authorities to impose open access requirements on cable-provided Internet service. Given the recency of the *Brand X* decision, however, the nature of any legislative or regulatory response remains uncertain. The imposition of open access requirements could materially affect our business.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

Interest Rate Risk

We are exposed to various market risks, including fluctuations in interest rates. We use interest rate risk management derivative instruments, such as interest rate swap agreements and interest rate collar agreements (collectively referred to herein as interest rate agreements) as required under the terms of the credit facilities of our subsidiaries. Our policy is to manage interest costs using a mix of fixed and variable rate debt. Using interest rate swap agreements, we agree to exchange, at specified intervals through 2007, the difference between fixed and variable interest amounts calculated by reference to an agreed-upon notional principal amount. Interest rate collar agreements are used to limit our exposure to, and to derive benefits from, interest rate fluctuations on variable rate debt to within a certain range of rates. Interest rate risk management agreements are not held or issued for speculative or trading purposes.

As of September 30, 2005 and December 31, 2004, our long-term debt totaled approximately $19.1 billion and $19.5 billion, respectively. This debt was comprised of approximately $5.5 billion and $5.5 billion of credit facility debt, $12.7 billion and $13.0 billion accreted value of high-yield notes and $866 million and $990 million accreted value of convertible senior notes, respectively.

As of September 30, 2005 and December 31, 2004, the weighted average interest rate on the credit facility debt was approximately 7.5% and 6.8%, the weighted average interest rate on the high-yield notes was approximately 10.2% and 9.9%, and the weighted average interest rate on the convertible senior notes was approximately 5.8% and 5.7%, respectively, resulting in a blended weighted average interest rate of 9.2% and 8.8%, respectively. The interest rate on approximately 80% and 83% of the total principal amount of our debt was effectively fixed, including the effects of our interest rate hedge agreements as of September 30, 2005 and December 31, 2004, respectively. The fair value of our high-yield notes was $11.6 billion and $12.2 billion at September 30, 2005 and December 31, 2004, respectively. The fair value of our convertible senior notes was $718 million and $1.1 billion at September 30, 2005 and December 31, 2004, respectively. The fair value of our credit facilities was $5.5 billion and $5.5 billion at September 30, 2005 and December 31, 2004, respectively. The fair value of high-yield and convertible notes is based on quoted market prices, and the fair value of the credit facilities is based on dealer quotations.

We do not hold or issue derivative instruments for trading purposes. We do, however, have certain interest rate derivative instruments that have been designated as cash flow hedging instruments. Such instruments effectively convert variable interest payments on certain debt instruments into fixed payments. For qualifying hedges, SFAS No. 133 allows derivative gains and losses to offset related results on hedged items in the consolidated statement of operations. We have formally documented, designated and assessed the effectiveness of transactions that receive hedge accounting. For the three months ended September 30, 2005 and 2004, net gain (loss) on derivative instruments and hedging activities includes gains of $1 million and $1 million, respectively, and for the nine months ended September 30, 2005 and 2004, net gain (loss) on derivative instruments and hedging activities includes gains of $2 million and $3 million, respectively, which represent cash flow hedge ineffectiveness on interest rate hedge agreements arising from differences between the critical terms of the agreements and the related hedged obligations. Changes in the fair value of interest rate agreements designated as hedging instruments of the variability of cash flows associated with floating-rate debt obligations that meet the effectiveness criteria of SFAS No. 133 are reported

in accumulated other comprehensive loss. For the three months ended September 30, 2005 and 2004, a gain of $5 million and $2 million, respectively, and for the nine months ended September 30, 2005 and 2004, a gain of $14 million and $31 million, respectively, related to derivative instruments designated as cash flow hedges, was recorded in accumulated other comprehensive income (loss) and minority interest. The amounts are subsequently reclassified into interest expense as a yield adjustment in the same period in which the related interest on the floating-rate debt obligations affects earnings (losses).

Certain interest rate derivative instruments are not designated as hedges as they do not meet the effectiveness criteria specified by SFAS No. 133. However, management believes such instruments are closely correlated with the respective debt, thus managing associated risk. Interest rate derivative instruments not designated as hedges are marked to fair value, with the impact recorded as gain (loss) on derivative instruments and hedging activities in our statements of operations. For the three months ended September 30, 2005 and 2004, net gain (loss) on derivative instruments and hedging activities includes gains of $16 million and losses of $9 million, respectively, and for the nine months ended September 30, 2005 and 2004, net gain (loss) on derivative instruments and hedging activities includes gains of $41 million and $45 million, respectively, for interest rate derivative instruments not designated as hedges.

The table set forth below summarizes the fair values and contract terms of financial instruments subject to interest rate risk maintained by us as of September 30, 2005 (dollars in millions):

	2005	2006	2007	2008	2009	2010	Thereafter	Total	Fair Value at September 30, 2005
Debt:									
Fixed Rate	$ --	$ 25	$ 105	$ 114	$ 1,547	$ 1,693	$ 9,576	$ 13,060	$ 11,802
Average Interest Rate	--	4.75%	8.25%	10.00%	7.48%	10.29%	10.44%	10.04%	
Variable Rate	$ 7	$ 30	$ 280	$ 629	$ 779	$ 1,536	$ 2,802	$ 6,063	$ 6,059
Average Interest Rate	6.81%	7.88%	7.73%	7.78%	7.88%	8.33%	8.20%	8.12%	
Interest Rate Instruments:									
Variable to Fixed Swaps	$ 500	$ 873	$ 775	$ --	$ --	$ --	$ --	$ 2,148	$ 13
Average Pay Rate	7.49%	8.23%	8.04%	--	--	--	--	7.99%	
Average Receive Rate	7.17%	7.82%	7.83%	--	--	--	--	7.69%	

The notional amounts of interest rate instruments do not represent amounts exchanged by the parties and, thus, are not a measure of our exposure to credit loss. The amounts exchanged are determined by reference to the notional amount and the other terms of the contracts. The estimated fair value approximates the costs (proceeds) to settle the outstanding contracts. Interest rates on variable debt are estimated using the average implied forward London Interbank Offering Rate (LIBOR) rates for the year of maturity based on the yield curve in effect at September 30, 2004.

At September 30, 2005 and December 31, 2004, we had outstanding $2.1 billion and $2.7 billion and $20 million and $20 million, respectively, in notional amounts of interest rate swaps and collars, respectively. The notional amounts of interest rate instruments do not represent amounts exchanged by the parties and, thus, are not a measure of exposure to credit loss. The amounts exchanged are determined by reference to the notional amount and the other terms of the contracts.

Certain provisions of Charter's 5.875% convertible senior notes issued in November 2004 were considered embedded derivatives for accounting purposes and were required to be accounted for separately from the convertible senior notes. In accordance with SFAS No. 133, these derivatives are marked to market with gains or losses recorded in interest expense on our condensed consolidated statement of operations. For the three and nine months ended September 30, 2005, we recognized losses of $1 million and gains of $26 million, respectively. The loss resulted in an increase in interest expense whereas the gain resulted in a reduction in interest expense related to these derivatives. At September 30, 2005 and December 31, 2004, $2 million and $10 million, respectively, is recorded in accounts payable and accrued expenses relating to the short-term portion of these derivatives and $3 million and $21 million, respectively, is recorded in other long-term liabilities related to the long-term portion.

Item 4. Controls and Procedures.

As of the end of the period covered by this report, management, including our Chief Executive Officer and Interim Chief Financial Officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures with respect to the information generated for use in this quarterly report. The evaluation was based in part upon reports and affidavits provided by a number of executives. Based upon, and as of the date of that evaluation, our Chief Executive Officer and Interim Chief Financial Officer concluded that the disclosure controls and procedures were effective to provide reasonable assurances that information required to be disclosed in the reports we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms.

There was no change in our internal control over financial reporting during the quarter ended September 30, 2005 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

In designing and evaluating the disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable, not absolute, assurance of achieving the desired control objectives and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based upon the above evaluation, Charter's management believes that its controls provide such reasonable assurances.

PART II. OTHER INFORMATION.

Item 1. Legal Proceedings.

Securities Class Actions and Derivative Suits

Fourteen putative federal class action lawsuits (the "Federal Class Actions") were filed in 2002 against Charter and certain of its former and present officers and directors in various jurisdictions allegedly on behalf of all purchasers of Charter's securities during the period from either November 8 or November 9, 1999 through July 17 or July 18, 2002. Unspecified damages were sought by the plaintiffs. In general, the lawsuits alleged that Charter utilized misleading accounting practices and failed to disclose these accounting practices and/or issued false and misleading financial statements and press releases concerning Charter's operations and prospects. The Federal Class Actions were specifically and individually identified in public filings made by Charter prior to the date of this quarterly report. On March 12, 2003, the Panel transferred the six Federal Class Actions not filed in the Eastern District of Missouri to that district for coordinated or consolidated pretrial proceedings with the eight Federal Class Actions already pending there. The Court subsequently consolidated the Federal Class Actions into a single action (the "Consolidated Federal Class Action") for pretrial purposes. On August 5, 2004, the plaintiffs' representatives, Charter and the individual defendants who were the subject of the suit entered into a Memorandum of Understanding setting forth agreements in principle to settle the Consolidated Federal Class Action. These parties subsequently entered into Stipulations of Settlement dated as of January 24, 2005 (described more fully below) that incorporate the terms of the August 5, 2004 Memorandum of Understanding.

The Consolidated Federal Class Action was entitled:

- In re Charter Communications, Inc. Securities Litigation, MDL Docket No. 1506 (All Cases), StoneRidge Investments Partners, LLC, Individually and On Behalf of All Others Similarly Situated, v. Charter Communications, Inc., Paul Allen, Jerald L. Kent, Carl E. Vogel, Kent Kalkwarf, David G. Barford, Paul E. Martin, David L. McCall, Bill Shreffler, Chris Fenger, James H. Smith, III, Scientific-Atlanta, Inc., Motorola, Inc. and Arthur Andersen, LLP, Consolidated Case No. 4:02-CV-1186-CAS.

On September 12, 2002, a shareholders derivative suit (the "State Derivative Action") was filed in the Circuit Court of the City of St. Louis, State of Missouri (the "Missouri State Court"), against Charter and its then current directors, as well as its former auditors. The plaintiffs alleged that the individual defendants breached their fiduciary duties by failing to establish and maintain adequate internal controls and procedures.

The consolidated State Derivative Action was entitled:

- Kenneth Stacey, Derivatively on behalf of Nominal Defendant Charter Communications, Inc., v. Ronald L. Nelson, Paul G. Allen, Marc B. Nathanson, Nancy B. Peretsman, William Savoy, John H. Tory, Carl E. Vogel, Larry W. Wangberg, and Charter Communications, Inc.

On March 12, 2004, an action substantively identical to the State Derivative Action was filed in Missouri State Court against Charter and certain of its current and former directors, as well as its former auditors. On July 14, 2004, the Court consolidated this case with the State Derivative Action.

This action was entitled:

- Thomas Schimmel, Derivatively on behalf on Nominal Defendant Charter Communications, Inc., v. Ronald L. Nelson, Paul G. Allen, Marc B. Nathanson, Nancy B. Peretsman, William D. Savoy, John H. Tory, Carl E. Vogel, Larry W. Wangberg, and Arthur Andersen, LLP, and Charter Communications, Inc.

Separately, on February 12, 2003, a shareholders derivative suit (the "Federal Derivative Action"), was filed against Charter and its then current directors in the United States District Court for the Eastern District of Missouri. The plaintiff in that suit alleged that the individual defendants breached their fiduciary duties and grossly mismanaged Charter by failing to establish and maintain adequate internal controls and procedures.

The Federal Derivative Action was entitled:

- Arthur Cohn, Derivatively on behalf of Nominal Defendant Charter Communications, Inc., v. Ronald L. Nelson, Paul G. Allen, Marc B. Nathanson, Nancy B. Peretsman, William Savoy, John H. Tory, Carl E. Vogel, Larry W. Wangberg, and Charter Communications, Inc.

As noted above, Charter and the individual defendants entered into a Memorandum of Understanding on August 5, 2004 setting forth agreements in principle regarding settlement of the Consolidated Federal Class Action, the State Derivative Action(s) and the Federal Derivative Action (the "Actions"). Charter and various other defendants in those actions subsequently entered into Stipulations of Settlement dated as of January 24, 2005, setting forth a settlement of the Actions in a manner consistent with the terms of the Memorandum of Understanding. The Stipulations of Settlement, along with various supporting documentation, were filed with the Court on February 2, 2005. On May 23, 2005 the United States District Court for the Eastern District of Missouri conducted the final fairness hearing for the Actions, and on June 30, 2005, the Court issued its final approval of the settlements. Members of the class had 30 days from the issuance of the June 30 order approving the settlement to file an appeal challenging the approval. Two notices of appeal were filed relating to the settlement. Those appeals were directed to the amount of fees that the attorneys for the class were to receive and to the fairness of the settlement. At the end of September 2005, Stipulations of Dismissal were filed with the Eighth Circuit Court of Appeals resulting in the dismissal of both appeals with prejudice. Procedurally therefore, the settlements are final.

As amended, the Stipulations of Settlement provide that, in exchange for a release of all claims by plaintiffs against Charter and its former and present officers and directors named in the Actions, Charter would pay to the plaintiffs a combination of cash and equity collectively valued at $144 million, which will include the fees and expenses of plaintiffs' counsel. Of this amount, $64 million would be paid in cash (by Charter's insurance carriers) and the $80 million balance was to be paid (subject to Charter's right to substitute cash therefor as described below) in shares of Charter Class A common stock having an aggregate value of $40 million and ten-year warrants to purchase shares of Charter Class A common stock having an aggregate warrant value of $40 million, with such values in each case being determined pursuant to formulas set forth in the Stipulations of Settlement. However, Charter had the right, in its sole discretion, to substitute cash for some or all of the aforementioned securities on a dollar for dollar basis. Pursuant to that right, Charter elected to fund the $80 million obligation with 13.4 million shares of Charter Class A common stock (having an aggregate value of approximately $15 million pursuant to the formula set forth in the Stipulations of Settlement) with the remaining balance (less an agreed upon $2 million discount in respect of that portion allocable to plaintiffs' attorneys' fees) to be paid in cash. In addition, Charter had agreed to issue additional shares of its Class A common stock to its insurance carrier having an aggregate value of $5 million; however, by agreement with its carrier, Charter paid $4.5 million in cash in lieu of issuing such shares. Charter delivered the settlement consideration to the claims administrator on July 8, 2005, and it was held in escrow pending resolution of the appeals. Those appeals are now resolved. On July 14, 2005, the Circuit Court for the City of St. Louis dismissed with prejudice the State Derivative Actions. The claims administrator is responsible for disbursing the settlement consideration.

As part of the settlements, Charter committed to a variety of corporate governance changes, internal practices and public disclosures, all of which have already been undertaken and none of which are inconsistent with measures Charter is taking in connection with the recent conclusion of the SEC investigation.

Government Investigations

In August 2002, Charter became aware of a grand jury investigation being conducted by the U.S. Attorney's Office for the Eastern District of Missouri into certain of its accounting and reporting practices, focusing on how Charter reported customer numbers, and its reporting of amounts received from digital set-top terminal suppliers for advertising. The U.S. Attorney's Office publicly stated that Charter was not a target of the investigation. Charter was also advised by the U.S. Attorney's Office that no current officer or member of its board of directors was a target of the investigation. On July 24, 2003, a federal grand jury charged four former officers of Charter with conspiracy and mail and wire fraud, alleging improper accounting and reporting practices focusing on revenue from digital set-top terminal suppliers and inflated customer account numbers. Each of the indicted former officers pled guilty to single conspiracy counts related to the original mail and wire fraud charges and were sentenced April 22, 2005. Charter fully cooperated with the investigation, and following the sentencings, the U.S. Attorney's Office for the Eastern District of Missouri announced that its investigation was concluded and that no further indictments would issue.

Indemnification

Charter was generally required to indemnify, under certain conditions, each of the named individual defendants in connection with the matters described above pursuant to the terms of its bylaws and (where applicable) such individual defendants' employment agreements. In accordance with these documents, in connection with the grand jury investigation, a now-settled SEC investigation and the above-described lawsuits, some of Charter's current and former directors and current and former officers were advanced certain costs and expenses incurred in connection with their defense. On February 22, 2005, Charter filed suit against four of its former officers who were indicted in the course of the grand jury investigation. These suits seek to recover the legal fees and other related expenses advanced to these individuals. One of these former officers has counterclaimed against Charter alleging, among other things, that Charter owes him additional indemnification for legal fees that Charter did not pay, and another of these former officers has counterclaimed against Charter for accrued sick leave.

Other Litigation

Charter is also party to other lawsuits and claims that arose in the ordinary course of conducting its business. In the opinion of management, after taking into account recorded liabilities, the outcome of these other lawsuits and claims are not expected to have a material adverse effect on our consolidated financial condition, results of operations or our liquidity.

Item 3. Defaults Upon Senior Securities

We did not declare or pay the scheduled dividend payments on our Series A Convertible Redeemable Preferred Stock at March 31, 2005, June 30, 2005 or September 30, 2005. Accordingly, such amounts were accrued, and, since March 31, 2005, dividends have accrued at an increased rate of 7.75% of the redemption value of the shares (which totals approximately $55 million) and will continue to accrue at that rate until accrued dividends have been paid in full. At September 30, 2005, the total accrued dividends equaled $3 million.

Item 4. Submission of Matters to a Vote of Security Holders.

The annual meeting of shareholders of Charter Communications, Inc. was held on August 23, 2005. Of the total 345,694,905 shares of Class A common stock issued, outstanding and eligible to be voted at the meeting, 295,439,569 shares, representing the same number of votes, were represented in person or by proxy at the meeting. Of the total 50,000 shares of Class B common stock issued, outstanding and eligible to be voted at the meeting, 50,000 shares, representing 3,391,820,310 votes, were represented in person or by proxy at the meeting. Four matters were submitted to a vote of the shareholders at the meeting.

ELECTION OF ONE CLASS A/CLASS B DIRECTOR. The holders of the Class A common stock and the Class B common stock voting together elected Robert P. May as the Class A/Class B director, to hold office for a term of one year. The voting results are set forth below:

NOMINEE	FOR	WITHHELD	BROKER NON-VOTE
Robert P. May	3,665,081,181	22,178,698	N/A

ELECTION OF TEN CLASS B DIRECTORS. The holder of the Class B common stock elected ten Class B directors to the Board of Directors, each to hold office for a term of one year. The voting results are set forth below:

NOMINEE	FOR	WITHHELD
Paul G. Allen	3,391,820,310	0
W. Lance Conn	3,391,820,310	0
Nathaniel A. Davis	3,391,820,310	0
Jonathan L. Dolgen	3,391,820,310	0
David C. Merritt	3,391,820,310	0
Marc B. Nathanson	3,391,820,310	0
Jo Allen Patton	3,391,820,310	0
Neil Smit	3,391,820,310	0

John H. Tory	3,391,820,310	0
Larry W. Wangberg	3,391,820,310	0

APPROVAL OF AMENDMENT TO 2001 STOCK INCENTIVE PLAN. The holders of the Class A common stock and the Class B common stock voting together approved an amendment to Charter's 2001 Stock Option Plan. The voting results are as follows:

FOR	AGAINST	ABSTAIN	BROKER NON-VOTE
3,477,799,591	33,515,888	453,122	N/A

RATIFICATION OF KPMG LLP AS INDEPENDENT PUBLIC ACCOUNTANTS. The holders of the Class A common stock and the Class B common stock voting together ratified KPMG LLP as Charter Communications, Inc.'s independent public accountants for the year ended December 31, 2005. The voting results are set forth below:

FOR	AGAINST	ABSTAIN	BROKER NON-VOTE
3,685,147,885	1,807,367	304,627	N/A

Under the Certificate of Incorporation and Bylaws of Charter Communications, Inc. for purposes of determining whether votes have been cast, abstentions and broker "non-votes" are not counted and therefore do not have an effect on the proposals.

Item 5. Other Information.

Charter entered into an employment agreement with Sue Ann R. Hamilton, Executive Vice President, Programming, as of October 31, 2005. This agreement sets forth the terms under which Ms. Hamilton will serve as an executive of Charter. The term of this agreement is two years from the date of the agreement.

The agreement provides that Ms. Hamilton shall be employed in an executive capacity to perform such duties as are assigned or delegated by the President and Chief Executive Officer or the designee thereof. She shall be eligible to participate in Charter's incentive bonus plan that applies to senior executives, stock option plan and to receive such employee benefits as are available to other senior executives. In the event that Ms. Hamilton is terminated by Charter without "cause" or for "good reason termination," as those terms are defined in the employment agreement, Ms. Hamilton will receive her salary for the remainder of the term of the agreement or twelve months salary, whichever is greater; a pro rata bonus for the year of termination; twelve months of COBRA payments; and the vesting of options and restricted stock for as long as severance payments are made. The employment agreement contains a one-year, non-compete provision (or until the end of the term of the agreement, if longer) in a "competitive business," as such term is defined in the agreement, and two-year non-solicitation clauses. The agreement provides that Ms. Hamilton's salary shall be $371,800.

The full text of Ms. Hamilton's employment agreement is filed herewith as Exhibit 10.22.

Item 6. Exhibits.

The index to the exhibits begins on page 63 of this quarterly report.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, Charter Communications, Inc. has duly caused this quarterly report to be signed on its behalf by the undersigned, thereunto duly authorized.

CHARTER COMMUNICATIONS, INC.,
Registrant

Dated: November 1, 2005

By: /s/ Paul E. Martin

Name:	Paul E. Martin
Title:	*Senior Vice President, Interim Chief Financial Officer, Principal Accounting Officer and Corporate Controller (Principal Financial Officer and Principal Accounting Officer)*

EXHIBIT INDEX

Exhibit Number	Description of Document
3.1(a)	Restated Certificate of Incorporation of Charter Communications, Inc. (Originally incorporated July 22, 1999) (Incorporated by reference to Exhibit 3.1 to Amendment No. 3 to the registration statement on Form S-1 of Charter Communications, Inc. filed on October 18, 1999 (File No. 333-83887)).
3.1(b)	Certificate of Amendment of Restated Certificate of Incorporation of Charter Communications, Inc. filed May 10, 2001 (Incorporated by reference to Exhibit 3.1(b) to the annual report on Form 10-K filed by Charter Communications, Inc. on March 29, 2002 (File No. 000-27927)).
3.2	Amended and Restated By-laws of Charter Communications, Inc. as of June 6, 2001 (Incorporated by reference to Exhibit 3.2 to the quarterly report on Form 10-Q filed by Charter Communications, Inc. on November 14, 2001 (File No. 000-27927)).
3.3	Fourth Amendment to Amended and Restated By-laws of Charter Communications, Inc. as of October 3, 2003 (Incorporated by reference to Exhibit 3.3 to Charter Communications, Inc.'s quarterly report on Form 10-Q filed on November 3, 2003 (File No. 000-27927)).
3.4	Fifth Amendment to Amended and Restated By-laws of Charter Communications, Inc. as of October 28, 2003 (Incorporated by reference to Exhibit 3.4 to Charter Communications, Inc.'s quarterly report on Form 10-Q filed on November 3, 2003 (File No. 000-27927)).
3.5	Sixth Amendment to Amended and Restated By-laws of Charter Communications, Inc. (Incorporated by reference to Charter Communications, Inc.'s current report on Form 8-K filed on September 30, 2004).
3.6	Seventh Amendment to Amended and Restated By-laws of Charter Communications, Inc. (Incorporated by reference to Charter Communications, Inc.'s current report on Form 8-K filed on October 22, 2004).
10.1	First Supplemental Indenture relating to the 8.625% Senior Notes due 2009, dated as of September 28, 2005, among Charter Communications Holdings, LLC, Charter Communications Holdings Capital Corporation and BNY Midwest Trust Company as Trustee (incorporated by reference to Exhibit 10.3 to the current report on Form 8-K of Charter Communications, Inc. filed on October 4, 2005 (File No. 000-27927)).
10.2	First Supplemental Indenture relating to the 9.920% Senior Discount Notes due 2011, dated as of September 28, 2005, among Charter Communications Holdings, LLC, Charter Communications Holdings Capital Corporation and BNY Midwest Trust Company as Trustee (incorporated by reference to Exhibit 10.4 to the current report on Form 8-K of Charter Communications, Inc. filed on October 4, 2005 (File No. 000-27927)).
10.3	First Supplemental Indenture relating to the 10.00% Senior Notes due 2009, dated as of September 28, 2005, between Charter Communications Holdings, LLC, Charter Communications Holdings Capital Corporation and BNY Midwest Trust Company as Trustee (incorporated by reference to Exhibit 10.5 to the current report on Form 8-K of Charter Communications, Inc. filed on October 4, 2005 (File No. 000-27927)).
10.4	First Supplemental Indenture relating to the 10.25% Senior Notes due 2010, dated as of September 28, 2005, among Charter Communications Holdings, LLC, Charter Communications Holdings Capital Corporation and BNY Midwest Trust Company as Trustee (incorporated by reference to Exhibit 10.6 to the current report on Form 8-K of Charter Communications, Inc. filed on October 4, 2005 (File No. 000-27927)).
10.5	First Supplemental Indenture relating to the 11.75% Senior Discount Notes due 2010, among Charter Communications Holdings, LLC, Charter Communications Holdings Capital Corporation and BNY Midwest Trust Company as Trustee, dated as of September 28, 2005 (incorporated by reference to Exhibit 10.7 to the current report on Form 8-K of Charter Communications, Inc. filed on October 4, 2005 (File No. 000-27927)).
10.6	First Supplemental Indenture dated as of September 28, 2005 between Charter Communications Holdings, LLC, Charter Communications Holdings Capital Corporation and BNY Midwest Trust Company as Trustee governing 10.750% Senior Notes due 2009 (incorporated by reference to Exhibit 10.8 to the current report on Form 8-K of Charter Communications, Inc. filed on October 4, 2005 (File No. 000-27927)).
10.7	First Supplemental Indenture dated as of September 28, 2005, between Charter Communications Holdings, LLC, Charter Communications Capital Corporation and BNY Midwest Trust Company

	governing 11.125% Senior Notes due 2011 (incorporated by reference to Exhibit 10.9 to the current report on Form 8-K of Charter Communications, Inc. filed on October 4, 2005 (File No. 000-27927)).
10.8	First Supplemental Indenture dated as of September 28, 2005, between Charter Communications Holdings, LLC, Charter Communications Holdings Capital Corporation and BNY Midwest Trust Company as Trustee governing 13.500% Senior Discount Notes due 2011 (incorporated by reference to Exhibit 10.10 to the current report on Form 8-K of Charter Communications, Inc. filed on October 4, 2005 (File No. 000-27927)).
10.9	Third Supplemental Indenture dated as of September 28, 2005 between Charter Communications Holdings, LLC, Charter Communications Capital Corporation and BNY Midwest Trust Company as Trustee governing 9.625% Senior Notes due 2009 (incorporated by reference to Exhibit 10.11 to the current report on Form 8-K of Charter Communications, Inc. filed on October 4, 2005 (File No. 000-27927)).
10.10	Third Supplemental Indenture dated as of September 28, 2005 between Charter Communications Holdings, LLC, Charter Communications Holdings Capital Corporation and BNY Midwest Trust Company as Trustee governing the 10.000% Senior Notes due 2011 (incorporated by reference to Exhibit 10.12 to the current report on Form 8-K of Charter Communications, Inc. filed on October 4, 2005 (File No. 000-27927)).
10.11	First Supplemental Indenture dated as of September 28, 2005 between Charter Communications Holdings, LLC, Charter Communications Holdings Capital Corporation and BNY Midwest Trust Company as Trustee governing 11.750% Senior Discount Notes due 2011 (incorporated by reference to Exhibit 10.13 to the current report on Form 8-K of Charter Communications, Inc. filed on October 4, 2005 (File No. 000-27927)).
10.12	Second Supplemental Indenture dated as of September 28, 2005 between Charter Communications Holdings, LLC, Charter Communications Holdings Capital Corporation and BNY Midwest Trust Company as Trustee governing 12.125% Senior Discount Notes due 2012 (incorporated by reference to Exhibit 10.14 to the current report on Form 8-K of Charter Communications, Inc. filed on October 4, 2005 (File No. 000-27927)).
10.13	Indenture dated as of September 28, 2005 among CCH I Holdings, LLC and CCH I Holdings Capital Corp., as Issuers and Charter Communications Holdings, LLC, as Parent Guarantor, and The Bank of New York Trust Company, NA, as Trustee, governing: 11.125% Senior Accreting Notes due 2014, 9.920% Senior Accreting Notes due 2014, 10.000% Senior Accreting Notes due 2014, 11.75% Senior Accreting Notes due 2014, 13.50% Senior Accreting Notes due 2014, 12.125% Senior Accreting Notes due 2015 (incorporated by reference to Exhibit 10.1 to the current report on Form 8-K of Charter Communications, Inc. filed on October 4, 2005 (File No. 000-27927)).
10.14	Indenture dated as of September 28, 2005 among CCH I, LLC and CCH I Capital Corp., as Issuers, Charter Communications Holdings, LLC, as Parent Guarantor, and The Bank of New York Trust Company, NA, as Trustee, governing 11.00% Senior Secured Notes due 2015 (incorporated by reference to Exhibit 10.2 to the current report on Form 8-K of Charter Communications, Inc. filed on October 4, 2005 (File No. 000-27927)).
10.15	Pledge Agreement made by CCH I, LLC in favor of The Bank of New York Trust Company, NA, as Collateral Agent dated as of September 28, 2005 (incorporated by reference to Exhibit 10.15 to the current report on Form 8-K of Charter Communications, Inc. filed on October 4, 2005 (File No. 000-27927)).
10.16	SENIOR BRIDGE LOAN AGREEMENT dated as of October 17, 2005 by and among CCO Holdings, LLC, CCO Holdings Capital Corp., certain lenders, JPMorgan Chase Bank, N.A., as Administrative Agent, J.P. Morgan Securities Inc. and Credit Suisse, Cayman Islands Branch, as joint lead arrangers and joint bookrunners, and Deutsche Bank Securities Inc., as documentation agent. (Incorporated by reference to Exhibit 99.1 to the current report on Form 8-K of Charter Communications, Inc. filed on October 19, 2005 (File No. 000-27927)).
10.17*†	Settlement Agreement and Mutual Releases, dated as of October 31, 2005, by and among Charter Communications, Inc., Special Committee of the Board of Directors of Charter Communications, Inc., Charter Communications Holding Company, LLC, CCHC, LLC, CC VIII, LLC, CC V, LLC, Charter Investment, Inc., Vulcan Cable III, LLC and Paul G. Allen.
10.18*	Exchange Agreement, dated as of October 31, 2005, by and among Charter Communications Holding Company, LLC, Charter Investment, Inc. and Paul G. Allen.
10.19*	CCHC, LLC Subordinated and Accreting Note, dated as of October 31, 2005.

10.20*	Third Amended and Restated Limited Liability Company Agreement for CC VIII, LLC, dated as of October 31, 2005.
10.21*	Second Amended and Restated Limited Liability Company Agreement for Charter Communications Holdings, LLC, dated as of October 31, 2005.
10.22+	Amendment No. 7 to the Charter Communications, Inc. 2001 Stock Incentive Plan effective August 23, 2005 (incorporated by reference to Exhibit 10.43(h) to the registration statement on Form S-1 of Charter Communications, Inc. filed on October 5, 2005 (File No. 333-128828)).
10.23+	Restricted Stock Agreement, dated as of July 13, 2005, by and between Robert P. May and Charter Communications, Inc. (incorporated by reference to Exhibit 99.1 to the current report on Form 8-K of Charter Communications, Inc. filed July 13, 2005 (File No. 000-27927)).
10.24+	Restricted Stock Agreement, dated as of July 13, 2005, by and between Michael J. Lovett and Charter Communications, Inc. (incorporated by reference to Exhibit 99.2 to the current report on Form 8-K of Charter Communications, Inc. filed July 13, 2005 (File No. 000-27927)).
10.25+	Employment Agreement, dated as of August 9, 2005, by and between Neil Smit and Charter Communications, Inc. (incorporated by reference to Exhibit 99.1 to the current report on Form 8-K of Charter Communications, Inc. filed on August 15, 2005 (File No. 000-27927)).
10.26+	Employment Agreement dated as of September 2, 2005, by and between Paul E. Martin and Charter Communications, Inc. (incorporated by reference to Exhibit 99.1 to the current report on Form 8-K of Charter Communications, Inc. filed on September 9, 2005 (File No. 000-27927)).
10.27+	Employment Agreement dated as of September 2, 2005, by and between Wayne H. Davis and Charter Communications, Inc. (incorporated by reference to Exhibit 99.2 to the current report on Form 8-K of Charter Communications, Inc. filed on September 9, 2005 (File No. 000-27927)).
10.28+*	Employment Agreement dated as of October 31, 2005, by and between Sue Ann Hamilton and Charter Communications, Inc.
15.1*	Letter re Unaudited Interim Financial Statements.
31.1*	Certificate of Chief Executive Officer pursuant to Rule 13a-14(a)/Rule 15d-14(a) under the Securities Exchange Act of 1934.
31.2*	Certificate of Interim Chief Financial Officer pursuant to Rule 13a-14(a)/Rule 15d-14(a) under the Securities Exchange Act of 1934.
32.1*	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chief Executive Officer).
32.2*	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Interim Chief Financial Officer).

* Document attached

+ Management compensatory plan or arrangement

† Portions of this document have been omitted pursuant to a request for confidential treatment. The omitted portions of this document have been filed with the Securities and Exchange Commission.

Pursuant to 17 CFR 240.24b-2, confidential information has been omitted in places marked "[***]" and has been filed separately with the Securities and Exchange Commission pursuant to a Confidential Treatment Application filed with the Commission.

SETTLEMENT AGREEMENT AND MUTUAL RELEASES

This Settlement Agreement (the "Settlement Agreement"or "Agreement") is made and entered into as of October 31 , 2005, by and among (i) Charter Communications, Inc. ("CCI"), a Delaware corporation, (ii) the Special Committee of the Board of Directors of CCI (the "Special Committee") acting on behalf of CCI with respect to certain matters described below, (iii) Charter Communications Holding Company, LLC ("HoldCo"), a Delaware limited liability company, (iv) CCHC, LLC ("CCHC"), a Delaware limited liability company, (v) CC VIII, LLC ("CC VIII"), a Delaware limited liability company, (vi) CC V, LLC ("CC V"), a Delaware limited liability company, (vii) Charter Investment, Inc. ("CII"), a Delaware corporation, (viii) Vulcan Cable III, Inc. ("Vulcan"), and (ix) Paul G. Allen ("Mr. Allen"), an individual. Each of the parties to this Agreement is individually referred to herein as a "Party"and all are collectively referred to herein as the "Parties."

RECITALS

WHEREAS, effective as of February 14, 2000, 24,273,943 membership units in CC VIII (the "Put Units") were issued to TCI Bresnan LLC and TCID of Michigan Inc. (jointly, the "AT&T Sellers") as part of the acquisition by HoldCo and Charter Communications Holdings, LLC ("Holdings") of Bresnan Communications Company Limited Partnership ("Bresnan");

WHEREAS, in connection with the acquisition by HoldCo and Holdings of Bresnan, Mr. Allen granted to the AT&T Sellers the right to put their Put Units to him as evidenced by that certain Put Agreement dated February 14, 2000, and as amended;

WHEREAS, on April 12, 2002, the successors to the AT&T Sellers elected to exercise the put right, and the put closed on June 6, 2003, whereupon Mr. Allen bought the Put Units for a base price of approximately $630 million plus 4.5% thereof annually from February 14, 2000, for a total purchase price of $728,270,541.00;

WHEREAS, Mr. Allen transferred the Put Units to his wholly-owned affiliate Vulcan Cable Investment Ltd., which subsequently was merged into Mr. Allen's wholly-owned affiliate CII;

WHEREAS, an issue has arisen (the "CC VIII Put Dispute") regarding whether the Put Units are required to be mandatorily exchanged for HoldCo units;

WHEREAS, the Board of Directors of CCI formed the Special Committee to investigate and take any appropriate action on behalf of CCI with respect to the CC VIII Put Dispute, among other things;

WHEREAS, the Special Committee undertook an extensive investigation of the facts and law in connection with the CC VIII Put Dispute, and the Parties engaged in a process of non-binding mediation in an effort to resolve the CC VIII Dispute, without success;

WHEREAS, the Parties subsequently participated in the complex corporate and business dispute mediation program of the Court of Chancery of the State of Delaware, proceeding before Vice Chancellor Donald F. Parsons, Jr., pursuant to 10 Del. C. § 347 and Rules 93, 94 and 95 of the Court of Chancery;

WHEREAS, the Parties, having exhaustively investigated the facts and circumstances relating to the CC VIII Put Dispute, and having carefully considered the mediation before Vice Chancellor Parsons, and after consultation with counsel, now

desire that the CC VIII Put Dispute be permanently and irrevocably released and settled as among the Parties, as set forth herein;

NOW, THEREFORE, in consideration of the promises and the mutual covenants 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. As used herein, the following terms shall have the following meanings:

1.1 "CC VIII LLC Agreement"means the Third Amended and Restated Limited Liability Company Agreement of CC VIII, LLC, dated as of even date herewith.

1.2 "Effective Date"means the date first above written, so long as all of the Parties have executed this Agreement.

1.3 "Related Parties" means (i) with respect to CCI, the Special Committee and its current and former members (Ronald L. Nelson, John H. Tory, Larry W. Wangberg and David C. Merritt), HoldCo, CC VIII, CC V and CCHC (together, the "Charter Parties"), each of the Charter Parties' respective subsidiaries, parent entities, successors, and predecessors, past or present officers, directors, shareholders, agents, principals, employees, insurers, attorneys, advisors, and investment advisors, partners, members, affiliates, and any person, firm, trust, partnership, corporation, officer, director or other individual or entity in which any Charter Party has a controlling interest or which is related to or affiliated with any of the Charter Parties, and the respective legal representatives, heirs, successors in interest or assigns of each of the Charter Parties;

provided, however, that the foregoing shall not include any of the Allen Parties, as defined below, and shall [* * *](together, the "[* * *]"); and (ii) with respect to CII, Vulcan and Mr. Allen (together, the "Allen Parties"), each of the Allen Parties' respective subsidiaries, parent entities, successors, and predecessors, past or present officers, directors, shareholders, agents, principals, employees, insurers, attorneys, advisors, and investment advisors, partners, members, affiliates, and any person, firm, trust, partnership, corporation, officer, director or other individual or entity in which any Allen Party has a controlling interest or which is related to or affiliated with any of the Allen Parties, and the respective legal representatives, heirs, successors in interest or assigns of each of the Allen Parties; provided, however, that the Allen Parties shall not include any of the Charter Parties or [* * *].

1.4 "Settled Claims"means all claims, counterclaims, rights, demands, causes of action or liabilities, if any, whether based on federal, state, local, statutory or common law or any other law, rule or regulation, including both known claims and Unknown Claims (as defined below), already accrued or arising in the future, directly or indirectly, that have been or could have been asserted by the Parties or any of them or the successors and assigns of any of them against any other Party which arise out of or relate in any way to (i) the acquisition by HoldCo and Holdings of Bresnan Communications Company Limited Partnership, (ii) the drafting and execution of the agreements effecting the acquisition by HoldCo and Holdings of Bresnan Communications Company Limited Partnership, (iii) the Put Units, or (iv) the CC VIII Put Dispute; provided, however, that the foregoing shall not include any claims, counterclaims, rights or causes of action or liabilities arising out of, or related in any way to, this Settlement Agreement and any

agreements executed pursuant to this Settlement Agreement (such agreements, the "Transaction Documents"); and further provided that the Settled Claims shall not include [* * *].

1.5 "Unknown Claims"means any and all Settled Claims that any of the Parties and/or their Related Parties do not know or suspect exist in his or its favor at the time of the release of the Settled Claims, which if known by him or it might have affected his or its decision(s) with respect to entering into or the terms of this Agreement or any other agreement referred to herein. With respect to any and all Settled Claims, the Parties stipulate and agree that each and all of the Parties shall be deemed to have expressly waived any and all provisions, rights and benefits conferred by any law, including the law of any state or territory of the United States or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

The Parties acknowledge that the inclusion of "Unknown Claims"in the definition of Settled Claims was separately bargained for and was a key element of this Agreement. The Parties acknowledge that they may hereafter discover facts which are different from or in addition to those that they may now know or believe to be true with respect to any and all claims, counterclaims, cross-claims, demands, rights, liabilities and causes of action herein released, whether based on federal, state, local, statutory or common law or any other law, rule or regulation, and agree that all Unknown Claims are nonetheless released and that this Agreement shall be and remain effective in all respects even if any such different or additional facts are subsequently discovered.

2. Retained Put Units.

2.1 Retained Units. CII shall retain 7,282,183 CC VIII Class A Preferred Units (the "Retained Units"). CII, as holder of the Retained Units, shall have the rights set forth in the CC VIII LLC Agreement.

2.2 Additional CC VIII Units. On the Effective Date, CC VIII shall issue an additional 49,365,952 Class B Units in CC VIII to CCV in consideration for prior contributions of cash and the Avalon and Cable USA cable systems. The issuance of such additional Class B Units shall be reflected in the CC VIII LLC Agreement.

3. Transfer of Put Units to HoldCo. Upon the Effective Date, CII shall transfer to HoldCo 15,202,763 CC VIII Class A Preferred Units, free and clear of any claim, lien, charge, encumbrance or restriction.

4. CCHC, LLC.

4.1 Formation of CCHC. Contemporaneously with the execution of this Agreement, HoldCo shall execute the Limited Liability Company Agreement of CCHC, LLC in the form annexed hereto as Exhibit A.

4.2 Transfers to CCHC. Contemporaneously with the execution of this Agreement: (i) CII shall transfer to CCHC 1,788,997 CC VIII Class A Preferred Units, free and clear of any claim, lien, charge, encumbrance or restriction; (ii) in consideration for such CC VIII Class A Preferred Units, CCHC shall authorize and issue to CII the Subordinated Accreting Note in the form annexed hereto as Exhibit B; and (iii) HoldCo shall transfer all of its ownership interests in Holdings and all of its ownership interests in the CC VIII Class A Preferred Units transferred to it pursuant to paragraph 3 to CCHC in exchange for 100% of the equity of CCHC. The documents effecting these assignments are annexed hereto as Exhibit C.

5. Tax Treatment. For all income tax purposes, the Parties shall treat the transfers of the CC VIII Class A Preferred Units pursuant to (i) paragraph 3 as a transfer by CII of 15,202,763 CC VIII Class A Preferred Units with an agreed value of $409,600,000 in respect of CII's interest in HoldCo in connection with the settlement of the CC VIII Put Dispute resulting in the recognition of $409,600,000 of ordinary income by HoldCo, and (ii) pursuant to paragraph 4.2 as the sale of 1,788,997 CC VIII Class A Preferred Units by CII to HoldCo for $48,200,000 payable in the CCHC Subordinated Accreting Note.

6. Exchange Agreement. Contemporaneously with the execution of this Agreement, HoldCo and CII shall execute and deliver the Exchange Agreement in the

form annexed hereto as Exhibit D, in order to provide for the exchange of the CCHC Note in certain circumstances as provided therein.

7. Holdings LLC Agreement. Contemporaneously with the execution of this Agreement, certain of the Parties shall execute and deliver the Second Amended and Restated Limited Liability Company Agreement of Charter Communications Holdings, LLC in the form annexed hereto as Exhibit E.

8. CC VIII LLC Agreement. Contemporaneously with the execution of this Agreement, certain of the Parties shall execute and deliver the CC VIII LLC Agreement in the form annexed hereto as Exhibit F.

9. Governance Agreement. Contemporaneously with the execution of this Agreement, CCI, HoldCo and Mr. Allen shall execute and deliver the Governance Agreement in the form annexed hereto as Exhibit G.

10. Representation by CII. CII hereby represents and warrants (a) that Mr. Allen acquired the CC VIII Class A Preferred Units on June 6, 2003, (b) that Mr. Allen transferred the CC VIII Class A Preferred Units to Vulcan Cable Investment Ltd. on June 6, 2003, (c) that Vulcan Cable Investment Ltd. merged with and into CII on December 31, 2003, and CII succeeded to all of the interests in and rights to the CC VIII Class A Preferred Units, (d) that immediately prior to the date hereof CII was the sole owner of the CC VIII Class A Preferred Units, and (e) that it has not transferred any interest in the CC VIII Class A Preferred Units prior to the date hereof.

11. Mutual Releases by the Parties.

11.1 Release by CCI. Subject to and conditioned upon the occurrence of the Effective Date, CCI, on behalf of itself and its Related Parties, fully and forever

releases and discharges CII, Vulcan and Mr. Allen, and any and all of their Related Parties, of and from any and all of the Settled Claims; provided, however, that this release shall not release any Party from any agreements, covenants or provisions contained in this Agreement or the Transaction Documents and shall [* * *].

11.2 Release by Mr. Allen. Subject to and conditioned upon the occurrence of the Effective Date, CII, Vulcan and Mr. Allen, on behalf of themselves and their Related Parties, fully and forever release and discharge CCI, and any and all of its Related Parties, of and from any and all of the Settled Claims; provided, however, that this release shall not release any Party from any agreements, covenants or provisions contained in this Agreement or the Transaction Documents and shall [* * *].

12. [* * *]

12.1 The Allen Parties [* * *] any [* * *] at the request of the Charter Parties as set forth in this paragraph 12. The [* * *] and each of them hereby [* * [* * *], [* * *] related to any of the matters in subparagraphs 1.4 (i) through (iv), above.

12.2 The shall [* * *] or any of them in [* * *] related to any of the matters in subparagraphs 1.4 (i) through (iv), above by (a) executing [* * *] as requested [* * *] related to any of the matters in subparagraphs 1.4 (i) through (iv), above, so long as the [* * *] also [* * *]; (b) allowing [* * *], concerning any [* * *] related to any of the matters in subparagraphs 1.4 (i) through (iv), above; (c) [* * *] against any [* * *]; and (d) taking reasonable steps [* * *] with respect to any [* * *] related to any of the matters in subparagraphs 1.4 (i) through (iv), above. The [* * *] present and participate on their behalf in any activity in which participates hereunder, and the [* * *] for all [* * *] as a result of the [* * *] required herein.

12.3 Notwithstanding anything seemingly to the contrary above, (a) [* * *], [* * *] or implicitly as a result of any provision of this paragraph 12, [* * *]; and (b) shall not [* * *], which would or could reasonably be expected to [* * *]; provided however, that if, [* * *] related to any of the matters in subparagraphs 1.4 (i) through (iv), above, it becomes necessary for any [* * *] [* * *] by an [* * *] and [* * *] [* * *] and such [* * *] was related to any of the matters in subparagraphs 1.4 (i) through (iv), above, and rendered at or prior to the date on which both the [* * *] had been notified that [* * *], [* * *] to accomplish the [* * *] on terms that otherwise [* * *] to the maximum extent possible consistent with this paragraph 12. In connection with such a [* * *] pursuant to the terms hereof, [* * *] and [* * *] shall conclude that there is a [* * *] that the [* * *] will be limited to the [* * *].

13. No Admissions. This Agreement is intended to settle and compromise disputed claims, and nothing contained herein shall be construed as an admission by any Party of any claim, liability or any of the matters alleged in connection with the CC VIII Put Dispute or otherwise, and neither the execution of this Agreement, nor any of its terms or provisions, nor any of the negotiations or proceedings connected with it, shall be argued, construed as or deemed in any judicial, non-judicial, administrative, arbitration or other proceeding or context, to be evidence of, or a presumption, concession, or admission by any Party of, the truth of any fact alleged or the validity of any claim that could have been or in the future might be asserted against any of them, or of any liability, fault, wrongdoing or otherwise by any of them. The Special Committee has exhaustively investigated the facts and circumstances relating to the CC VIII Put Dispute and has determined, after consultation with its counsel, that the terms of this Settlement

Agreement are fair and reasonable to CCI and has authorized entry into this Agreement by CCI.

14. Public Statements.

14.1 No Party shall make a public statement specifically concerning the terms of this Agreement or the subject matter of the CC VIII Put Dispute before using reasonable efforts to provide prior notice of such disclosure, including the substance of such disclosure, to the other Parties and to provide the other Parties a reasonable opportunity to comment thereon; provided, however, that there shall be no obligation on the part of the disclosing Party to alter the proposed disclosure in response to such comment, and a Party may make a public statement without prior notice or opportunity for comment if (i) the public statement consists of information previously disclosed or already known to the public, or (ii) the disclosing Party is required to make the public statement pursuant to applicable law, regulation or court process and such Party has determined, in the exercise of its good faith judgment, that it would not be reasonably practicable under the circumstances to delay such public statement pending notice and opportunity for comment by the other Parties. This paragraph shall not apply to any oral or written statements in any testimony, presentations, arguments, filings, pleadings, briefs or other documents made or submitted in court or during a deposition, or exchanged among counsel, in the course of any litigation.

14.2 Notice to the Charter Parties or to the Allen Parties shall be deemed made when provided pursuant to paragraph 25 hereof.

14.3 The Parties agree to cooperate in issuing a joint press release.

15. Representation by Counsel.

15.1 Each of the Parties hereby represents, warrants, and acknowledges that (i) in investigating the facts and circumstances relating to the CC VIII Put Dispute, including engaging in non-binding mediation before Vice Chancellor Parsons of the Court of Chancery of the State of Delaware, and in entering into this Agreement, he or it was represented and advised by counsel; (ii) he or it has read the terms of this Agreement and has fully understood and voluntarily accepted those terms after consultation with counsel; (iii) he or it enters into this Agreement at arms' length and voluntarily; and (iv) he or it is competent, and duly authorized, to execute this Agreement.

15.2 Each Party hereby acknowledges that his or its counsel had the opportunity to review this Agreement before the Party signed the Agreement.

15.3 No Party shall attempt to invoke, or be entitled to the benefits of, the rule of construction to the effect that ambiguities are to be resolved against the drafting Party in any interpretation of this Agreement.

16. Governing Law. This Agreement and all disputes arising hereunder or related hereto, shall be governed by, construed and interpreted in accordance with the laws of the State of Delaware as applied to contracts made and to be performed entirely within the State of Delaware and without regard to its conflict of law principles.

17. Survival of Representations and Warranties. The representations, warranties, promises, covenants and agreements contained in this Agreement shall survive the execution of this Agreement and the Exhibits hereto.

18. Headings. The headings in this Agreement are inserted for reference and identification purposes only and shall not affect the scope, extent, intent or interpretation of this Agreement or any provision hereof.

19. Binding Effect. Except as otherwise provided in this Agreement, every covenant, term, and provision of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective shareholders, corporate parents and subsidiaries, affiliates, members, partners, officers, directors, employees, successors, assigns, predecessors, heirs, survivors, executors and agents.

20. No Waiver; Severability.

20.1 Any waiver by any Party of any provision of this Agreement or any right hereunder shall not be deemed a continuing waiver, and shall not prevent or estop such Party (or any other Party) from thereafter enforcing such provision or right or any other provision or right. The failure of any Party to insist in any one or more instances upon the strict performance of any of the terms or provisions of this Agreement by any other Party shall not be construed as a waiver or relinquishment for the future of any such term or provision or any other provision or right, but that term or provision shall continue in full force and effect.

20.2 If any provision of this Settlement Agreement is found to be illegal or unenforceable by a court of competent jurisdiction, the remaining provisions shall be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by law.

21. No Oral Modification. This Agreement may not be altered, amended, modified or otherwise changed in any respect except in a writing signed by each of the Parties hereto affected by such alteration, modification or amendment.

22. Entire Agreement; No Third Party Beneficiaries. This Settlement Agreement, the Exhibits hereto and the Transaction Documents contain the entire agreement among the Parties and constitute the complete, final and exclusive embodiment of their agreement with respect to the subject matter hereof, and supersede all prior agreements among them with respect to such subject matter, whether written or oral, which are hereby rescinded. This Agreement is executed without reliance upon any promise, warranty or representation by any Party or any representative of any Party other than those expressly provided or contained herein and in the Exhibits hereto, and each Party expressly disclaims any such reliance or the existence of any other such warranty or representation. This Agreement, the Exhibits hereto and the Transaction Documents are not intended to confer upon any person or entity other than the Parties and their Related Parties any rights or remedies hereunder.

23. Authority. Each Party represents and warrants that it has full power and authority to enter into this Agreement and to perform its obligations hereunder and has not assigned, transferred or encumbered, or purported to assign, transfer or encumber, voluntarily or involuntarily, to any person or entity which is not a party to this Agreement, all or any portion of the claims, obligations or rights covered by this Agreement. Where the Party is a corporate Party, it warrants and represents that the person signing on its behalf is duly authorized to sign on behalf of the corporation or

company. Entry into this Agreement by CCI has been authorized by the Special Committee after consultation with its counsel.

24. Further Assurances. Each Party agrees to take such other and further actions and to execute such other documentation as may be required to carry out the intent and purposes of this Agreement.

25. Notices. Any notice required or permitted hereunder shall be given in writing by hand delivery or by facsimile (with hard copy to follow by courier or certified mail, postage prepaid, return receipt requested), addressed to each of the other Parties as follows (or at such other address as a Party may designate by advance written notice to each of the other Parties hereto):

IF TO CCI, HOLDCO, CCHC, CC VIII or CC V:

Charter Communications Inc.
12405 Powerscourt Drive
St. Louis, MO 63131
Attention: General Counsel
Telephone: (314) 543-2308
Facsimile: (314) 965-8793

IF TO CCI, HOLDCO, CCHC, CC VIII OR CC V, A COPY, WHICH SHALL NOT CONSTITUTE SERVICE, SHALL BE PROVIDED TO:

Mr. Dennis Friedman
Gibson, Dunn & Crutcher LLP
200 Park Avenue
New York, New York 10166
Telephone: (212) 351-3900
Facsimile: (212) 351-6201

IF TO THE SPECIAL COMMITTEE:

Special Committee of the Board of Directors of Charter Communications, Inc.
c/o David E. Mills, Esq.
Dow, Lohnes & Albertson, PLLC
1200 New Hampshire Avenue, NW
Suite 800
Washington, D.C. 20036-6802
Telephone: 202.776.2000
Facsimile: 202.776.2222

IF TO CII:

Charter Investment, Inc.
c/o Vulcan Inc.
505 Fifth Avenue S, Suite 900
Seattle, WA 98104
Attn: Gregory P. Landis, Executive Vice President and General Counsel
Telephone: 206.342.2347
Facsimile: 206.342.3347

IF TO MR. ALLEN:

Mr. Paul G. Allen
c/o Vulcan Inc.
505 Fifth Avenue S, Suite 900
Seattle, WA 98104
Attn: Gregory P. Landis, Executive Vice President and General Counsel
Telephone: 206.342.2347
Facsimile: 206.342.3347

IF TO CII OR MR. ALLEN, A COPY, WHICH SHALL NOT CONSTITUTE SERVICE, SHALL BE PROVIDED TO:

Allen D. Israel, Esq.
Foster Pepper & Shefelman PLLC
1111 Third Avenue
34th Floor
Seattle, WA 98101
Telephone: 206.447.8911
Facsimile: 206.749.1957

- and -

Robert E. Zimet, Esq.
Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, NY 10036
Telephone: 212.735.2520
Facsimile: 917.777.2520

- and -

Nicholas P. Saggese
Skadden, Arps, Slate, Meagher & Flom LLP
300 South Grand Avenue
Suite 3400
Los Angeles, CA 90071
Telephone: 213.687.5550
Facsimile: 213.687.5600

26. Remedies. The rights and remedies of the Parties shall not be mutually exclusive, and the exercise of one or more of the provisions hereof shall not preclude the exercise of any other provisions hereof. Each of the Parties confirms that compensatory damages may be an inadequate remedy for a breach or threatened breach of any provision hereof. The respective rights and obligations hereunder shall be enforceable by specific performance, injunction, or other equitable remedy, but nothing herein contained is intended to, or shall limit or affect any rights at law or by statute or otherwise of any Party aggrieved as against the other Parties for a breach or threatened breach of any provision hereof, it being the intention of this paragraph to make clear the agreement of the Parties that the respective rights and obligations of the Parties hereunder may be enforceable in equity as well as at law or otherwise.

27. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together constitute one and the same instrument. No party shall be bound hereby unless and until

this Agreement has been executed and delivered by all other Parties. Facsimile signatures shall be deemed original signatures for all purposes.

IN WITNESS HEREOF, the Parties have fully executed and delivered this Agreement, as of the date first written above.

SPECIAL COMMITTEE OF THE BOARD OF DIRECTORS OF CHARTER COMMUNICATIONS, INC.

Acting for Charter Communications, Inc. as authorized by resolution of the Board of Directors

By:_____
David C. Merritt
in his capacity as a Member
of the Special Committee

By:_____
John H. Tory
in his capacity as a Member
of the Special Committee

By:_____
Larry W. Wangberg
in his capacity as a Member
of the Special Committee

CHARTER COMMUNICATIONS, INC.

By: _____
Name: _____
Title: _____

CHARTER COMMUNICATIONS HOLDING COMPANY, LLC

By: _____
Name: _____
Title: _____

CCHC, LLC

By: _____
Name: _____
Title: _____

CC VIII, LLC

By: _____
Name: _____
Title: _____

CC V, LLC

By: _____
Name: _____
Title: _____

CHARTER INVESTMENT, INC.

By: ______________________

Name: ______________________

Title: ______________________

VULCAN CABLE III, INC.

By: ______________________

Name: ______________________

Title: ______________________

PAUL G. ALLEN

____

Exhibit 10.18

EXCHANGE AGREEMENT

BETWEEN

CHARTER COMMUNICATIONS HOLDING COMPANY, LLC

AND

CHARTER INVESTMENT, INC.

AND

MR. PAUL G. ALLEN

DATED AS OF OCTOBER 31, 2005

EXHIBITS

EXCHANGE AGREEMENT

This EXCHANGE AGREEMENT (this "Agreement") is made as of the 31st day of October, 2005 by and among Charter Investment, Inc., a Delaware corporation ("CII"), and Charter Communications Holding Company, LLC, a Delaware limited liability company ("HoldCo"), and solely for purposes of Article IV, Paul G. Allen ("Mr. Allen").

W I T N E S S E T H

WHEREAS, concurrently with the execution and delivery of this Agreement, CII, HoldCo and certain other parties are entering into a Settlement Agreement (the "Settlement Agreement"), providing for, among other things, the formation of CCHC, LLC, a Delaware limited liability company ("CCHC");

WHEREAS, in connection with the Settlement Agreement, CCHC has authorized and issued a subordinated promissory note (the "CCHC Note"), to CII in exchange for certain of CII's Class A Preferred Units of CC VIII, LLC upon the terms and conditions set forth in the Settlement Agreement; and

WHEREAS, each of CII and HoldCo desire to enter into this Agreement in conjunction with the Settlement Agreement in order to provide for the exchange of the CCHC Note in certain circumstances as provided herein.

NOW, THEREFORE, in consideration of the foregoing recitals and the terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, CII and HoldCo (each a "Party" and, collectively, the "Parties"), intending to be legally bound, hereby agree as follows:

I. EXCHANGE RIGHTS.

1.1 CII Exchange Rights.

Subject to the terms and conditions of this Agreement, CII shall have the right at any time to exchange the CCHC Note for HoldCo Units at the Exchange Rate (as defined herein). Such HoldCo Units shall be exchangeable into shares of stock of Charter Communications, Inc., a Delaware corporation ("CCI"), in accordance with the terms of the Exchange Agreement dated as of November 12, 1999 by and among CCI, CII, Vulcan Cable III, Inc., and Mr. Allen (the "Allen Exchange Agreement").

1.2 HoldCo Exchange Rights.

(a) Commencing on March 1, 2009, if the CCI Common Stock Price (as defined herein) for at least 20 consecutive Trading Days (as defined herein) within any period of 30 consecutive Trading Days is at or above the Exchange Price, HoldCo shall for 30 days following the end of any such 30 consecutive Trading Day period, have the right at any time to cause CII to exchange the CCHC Note for HoldCo Units at the Exchange Rate.

(b) "Trading Day" means a day during which trading in securities generally occurs on the principal U.S. national or regional securities exchange on which CCI Common stock is then listed or, if CCI Common Stock is not then listed on a national or regional securities exchange, on the Nasdaq National Market or, if CCI Common Stock is not then quoted on Nasdaq National Market, on the principal other market on which CCI Common Stock is then traded.

(c) "CCI Common Stock" means the Class A Common Stock, par value $0.001, of CCI.

(d) "CCI Common Stock Price" on any date means the closing sale price per share (or if no closing sale price is reported, the average of the bid and asked prices or, if more than one in either case, the average of the average bid and the average asked prices) on that date as reported in transactions for the principal U.S. securities exchange on which CCI Common Stock is traded or, if CCI Common Stock is not listed on a U.S. national or regional securities exchange, as reported by the Nasdaq National Market. The CCI Common Stock Price will be determined without reference to after-hours or extended market trading.

(i) If CCI Common Stock is not listed for trading on a U.S. national or regional securities exchange and not reported by the Nasdaq National Market on the relevant date, the "CCI Common Stock Price" will be the last quoted bid price for CCI Common Stock on the Nasdaq Small Cap Market or in the over-the-counter market on the relevant date as reported by Pink Sheets LLC or any similar organization (the "Closing Bid Price").

(ii) If CCI Common Stock is not so quoted, the "CCI Common Stock Price" will be the average of the mid-point of the last bid and asked prices for CCI Common Stock on the relevant date from each of at least three nationally recognized independent investment banking firms selected by HoldCo for this purpose.

1.3 Exchange Rate; Exchange Price; Adjustments.

(a) As of any date, the rate of exchange of the CCHC Note for HoldCo Units (the "Exchange Rate") shall be: (i) the Accreted Value (as defined in the CCHC Note) of the CCHC Note on such date *divided* by (ii) the exchange price on such date (the "Exchange Price"). The Exchange Price shall initially be $2.00 until adjusted in accordance with this Section 1.3. The Exchange Rate shall be subject to adjustment from time to time pursuant to this Section 1.3.

(b) In case CCI shall pay or make a dividend or other distribution in shares of Common Stock, subdivide outstanding shares of Common Stock into a greater number of shares of Common Stock or combine the outstanding shares of Common Stock into a lesser number of shares of Common Stock, the Exchange Price in effect at the opening of business on the day following the Record Date fixed for the determination of shareholders entitled to receive such dividend or other distribution, or the Record Date for such subdivision or combination, as the case may be, shall be adjusted based on the following formula:

For purposes of further clarification, the formula set forth below expresses the adjustments to the Exchange Price:

$$EP(1) = EP(0) \times \frac{OS(0)}{OS(1)}$$

Where:

EP(0) = the Exchange Price in effect at the close of business on the Record Date

EP(1) = the Exchange Price in effect immediately after the Record Date

OS(0) = the number of shares of Common Stock outstanding at the close of business on the Record Date

OS(1) = the number of shares of Common Stock that would be outstanding immediately after such event

If, after any such Record Date, any dividend or distribution is not in fact paid or the outstanding shares of Common Stock are not subdivided or combined, as the case may be, the Exchange Price shall be immediately readjusted, effective as of the date the Board of Directors determines not to pay such dividend or distribution, or subdivide or combine the outstanding shares of Common Stock, as the case may be, to the Exchange Price that would have been in effect if such Record Date had not been fixed.

(c) In case CCI shall issue rights or warrants to all holders of its Common Stock entitling them to subscribe for or purchase shares of Common Stock for a period expiring 45 days or less from the date of issuance of such rights or warrants at a price per share less than (or having a conversion price per share less than) the Current Market Price of the Common Stock, the Exchange Price in effect at the opening of business on the day following the Record Date shall be adjusted based on the following formula:

$$EP(1) = EP(0) \times \frac{OS(0) + Y}{OS(0) + X}$$

Where:

EP(0) = the Exchange Price in effect at the close of business on the Record Date

EP(1) = the Exchange Price in effect immediately after the Record Date

OS(0) = the number of shares of Common Stock outstanding at the close of business on the Record Date

X= the total number of shares of Common Stock issuable pursuant to such rights

Y = the number of shares of Common Stock equal to the aggregate price payable to exercise such rights divided by the average of the Sale Prices of the Common Stock for the ten consecutive Trading Days prior to the Business Day immediately preceding the announcement of the issuance of such rights

If, after any such Record Date, any such rights or warrants are not in fact issued, or are not exercised prior to the expiration thereof, the Exchange Price shall be immediately readjusted, effective as of the date such rights or warrants expire, or the date the Board of Directors determines not to issue such rights or warrants, to the Exchange Price that would have been in effect if the unexercised rights or warrants had never been granted or such Record Date had not been fixed, as the case may be.

(d) In case CCI shall pay a dividend or distribution consisting exclusively of cash to all holders of its Common Stock, the Exchange Price in effect at the opening of business on the day following the Record Date for such dividend or distribution shall be adjusted based on the following formula:

$$EP(1) = EP(0) \times \frac{SP(0) - C}{SP(0)}$$

Where:

EP(0) = the Exchange Price in effect at the close of business on the Record Date

EP(1) = the Exchange Price in effect immediately after the Record Date

SP0= the Current Market Price

C= the amount in cash per share distributed by CCI to holders of Common Stock

In the event that C is greater than or equal to SP0, in lieu of the adjustment contemplated, CII will be entitled to participate ratably in the cash distribution from HoldCo to CCI as though the CCHC Note had been exchanged for HoldCo Units on the applicable date of calculation for the amounts to be received by holders of Common Stock. If after any such Record Date, any such dividend or distribution is not in fact made, the Exchange Price shall be immediately readjusted, effective as of the date of the Board of Directors determines not to make such dividend or distribution, to the Exchange Price that would have been in effect if such Record Date had not been fixed.

(e) In case CCI shall, by dividend or otherwise, distribute to all holders of its Common Stock shares of its capital stock (other than Common Stock) or evidences of its indebtedness or assets (including cash or securities, but excluding (i) any rights or warrants referred to in Section 1.3(c), (ii) any dividend or distribution paid exclusively in cash, (iii) any dividend or distribution referred to in Section 1.3(b) or 1.3(f), and (iv) mergers or consolidations

to which Section 1.4 applies), the Exchange Price in effect at the opening of business on the day following the Record Date for such dividend or distribution shall be adjusted based on the following formula:

$$EP(1) = EP(0) \times \frac{SP(0) - FMV}{SP(0)}$$

Where:

EP(0) = the Exchange Price in effect at the close of business on the Record Date

EP(1) = the Exchange Price in effect immediately after the Record Date

SP0= the Current Market Price

FMV=the fair market value (as determined by the Board of Directors) of the shares of capital stock, evidences of indebtedness, assets or property distributed with respect to each outstanding share of Common Stock on the Record Date for such distribution

In the event that FMV is greater than or equal to SP0, in lieu of the adjustment contemplated, CII will be entitled to participate ratably in the relevant distribution from HoldCo to CCI as though the CCHC Note had been exchanged for HoldCo Units on the applicable date of calculation for the amounts to be received by holders of Common Stock. If after any such Record Date, any such dividend or distribution is not in fact made, the Exchange Price shall be immediately readjusted, effective as of the date of the Board of Directors determines not to make such dividend or distribution, to the Exchange Price that would have been in effect if such Record Date had not been fixed.

Rights or warrants distributed by CCI to all holders of Common Stock entitling the holders thereof to subscribe for or purchase shares of the CCI's Capital Stock (either initially or under certain circumstances), which rights or warrants, until the occurrence of a specified event or events ("Trigger Event"):

(i) are deemed to be transferred with such shares of Common Stock,

(ii) are not exercisable, and

(iii) are also issued in respect of future issuances of Common Stock

shall be deemed not to have been distributed for purposes of this Section 1.3 (e) (and no adjustment to the Exchange Price under this Section 1.3(e) will be required) until the occurrence of the earliest Trigger Event. If such right or warrant is subject to subsequent events, upon the occurrence of which such right or warrant shall become exercisable to purchase different securities, evidences of indebtedness or other assets or entitle the holder to purchase a different number or amount of the foregoing or to purchase any of the foregoing at a different purchase

price, then the occurrence of each such event shall be deemed to be the date of issuance and Record Date with respect to a new right or warrant (and a termination or expiration of the existing right or warrant without exercise by the holder thereof). In addition, in the event of any distribution (or deemed distribution) of rights or warrants, or any Trigger Event or other event (of the type described in the preceding sentence) with respect thereto, that resulted in an adjustment to the Exchange Price under this Section 1.3(e):

(1) in the case of any such rights or warrants that shall all have been redeemed or repurchased without exercise by any holders thereof, the Exchange Price shall be readjusted upon such final redemption or repurchase to give effect to such distribution or Trigger Event, as the case may be, as though it were a cash distribution, equal to the per share redemption or repurchase price received by a holder of Common Stock with respect to such rights or warrant (assuming such holder had retained such rights or warrants), made to all holders of Common Stock as of the date of such redemption or repurchase, and

(2) in the case of such rights or warrants all of which shall have expired or been terminated without exercise, the Exchange Price shall be readjusted as if such rights and warrants had never been issued.

For purposes of this Section 1.3(e) and Section 1.3(b) and 1.3(c), any dividend or distribution to which this Section 1.3(e) applies that also includes shares of Common Stock or a subdivision or combination of Common Stock to which Section 1.3(b) applies, or rights or warrants to subscribe for or purchase shares of Common Stock to which Section 1.3(c) applies (or any combination thereof), shall be deemed instead to be:

(1) a dividend or distribution of the evidences of indebtedness, assets, shares of capital stock, rights or warrants other than such shares of Common Stock, such subdivision or combination or such rights or warrants to which Section 1.3(b) and 1.3(c) apply, respectively (and any Exchange Price decrease required by this 1.3(e) with respect to such dividend or distribution shall then be made), immediately followed by

(2) a dividend or distribution of such shares of Common Stock, such subdivision or combination or such rights or warrants (and any further Exchange Price decrease required by Section 1.3(b) and 1.3(c) with respect to such dividend or distribution shall then be made), except that any shares of Common Stock included in such dividend or distribution shall not be deemed "outstanding at the close of business on the Record Date" within the meaning of Section 1.3(b) and any reduction or increase in the number of shares of Common Stock resulting from such subdivision or combination shall be disregarded in connection with such dividend or distribution.

(f) In case CCI shall, by dividend or otherwise, distribute to all holders of its Common Stock shares of Capital Stock of, or similar equity interests in, a Subsidiary or other business unit of CCI, the Exchange Price shall be adjusted based on the following formula:

$$EP(1) = EP(0) \times \frac{MP(0)}{FMV(0) + MP(0)}$$

Where:

EP(0) = the Exchange Price in effect at the close of business on the Record Date

EP(1) = the Exchange Price in effect immediately after the Record Date

FMV(0) = the average of the Sale Prices of the Capital Stock or similar equity interest distributed to holders of Common Stock applicable to one share of Common Stock over the 10 Trading Days commencing on and including the fifth Trading Day after the date on which "ex-distribution trading" commences for such dividend or distribution on the Nasdaq National Market or such other national or regional exchange or market on which the Common Stock is then listed or quoted

MP(0) = the average of the Sale Prices of the Common Stock over the 10 Trading Days commencing on and including the fifth Trading Day after the date on which "ex-distribution trading" commences for such dividend or distribution on the Nasdaq National Market or such other national or regional exchange or market on which the Common Stock is then listed or quoted

If after any such Record Date, any such distribution is not in fact made, the Exchange Price shall be immediately readjusted, effective as of the date the Board of Directors determines not to make such distribution, to the Exchange Price that would have been in effect if such Record Date had not been fixed.

(g) In case CCI or any Subsidiary of CCI purchases all or any portion of the Common Stock pursuant to a tender offer or exchange offer by CCI or any Subsidiary of CCI for the Common Stock and the cash and value of any other consideration included in the payment per share of the Common Stock exceeds the Current Market Price per share on the Trading Day next succeeding the last date on which tenders or exchanges may be made pursuant to such tender or exchange offer (the "Expiration Date"), the Exchange Price shall be will be adjusted based on the following formula:

$$EP(1) = EP(0) \times \frac{OS(0) \text{ X } SP(1)}{FMV + (SP(1) \text{ X } OS(1))}$$

Where:

EP(0)= the Exchange Price in effect on the Expiration Date

EP(1)= the Exchange Price in effect immediately after the Expiration Date

FMV=the fair market value (as determined by the Board of Directors) of the aggregate value of all cash and any other consideration paid or payable for shares of Common Stock validly tendered or exchanged and not withdrawn as of the Expiration Date (the "Purchased Shares")

OS(1) = the number of shares of Common Stock outstanding immediately after the Expiration Date less any Purchased Shares

OS(0) = the number of shares of Common Stock outstanding immediately after the Expiration Date, including any Purchased Shares

SP(1) = the Sale Price of the Common Stock on the Trading Day next succeeding the Expiration Date

Such decrease (if any) shall become effective immediately prior to the opening of business on the day following the Expiration Date. In the event that CCI is obligated to purchase shares pursuant to any such tender offer, but CCI is permanently prevented by applicable law from effecting any such purchases or all such purchases are rescinded, the Exchange Price shall again be adjusted to be the Exchange Price that would then be in effect if such tender or exchange offer had not been made. If the application of this Section 1.3(g) to any tender or exchange offer would result in an increase in the Exchange Price, no adjustment shall be made for such tender or exchange offer under this Section 1.3(g).

(h) In case of a tender or exchange offer made by a Person other than CCI or any Subsidiary for an amount that increases the offeror's ownership of Common Stock to more than twenty-five percent (25%) of the Common Stock outstanding and shall involve the payment by such Person of consideration per share of Common Stock having a fair market value (as determined by the Board of Directors, whose determination shall be conclusive, and described in a resolution of the Board of Directors) that as of the last date (the "Offer Expiration Date") tenders or exchanges may be made pursuant to such tender or exchange offer (as it shall have been amended) exceeds the Sale Price per share of the Common Stock on the Trading Day next succeeding the Offer Expiration Date, and in which, as of the Offer Expiration Date the Board of Directors is not recommending rejection of the offer, the Exchange Price shall be adjusted based on the following formula:

$$EP(1) = EP(0) \times \frac{OS(0) \text{ X } SP(1)}{FMV + (SP(1) \text{ X } OS(1))}$$

Where:

EP(0)= the Exchange Price in effect on the Offer Expiration Date

EP(1)= the Exchange Price in effect immediately after the Offer Expiration Date

FMV= the fair market value (as determined by the Board of Directors) of the aggregate consideration payable to holders of Common Stock based on the acceptance (up to any maximum specified in the terms of the tender or exchange offer) of all shares validly tendered or exchanged and not withdrawn as of the Offer Expiration Date (the shares deemed so accepted, up to any such maximum, being referred to as the "Accepted Purchased Shares")

OS(1) = the number of shares of Common Stock outstanding immediately after the Offer Expiration Date less any Accepted Purchased Shares

OS(0) = the number of shares of Common Stock outstanding immediately after the Offer Expiration Date, including any Accepted Purchased Shares

SP(1) = the Sale Price of the Common Stock on the Trading Day next succeeding the Offer Expiration Date

Such adjustment shall become effective immediately prior to the opening of business on the day following the Offer Expiration Date. In the event that such Person is obligated to purchase shares pursuant to any such tender or exchange offer, but such Person is permanently prevented by applicable law from effecting any such purchases or all such purchases are rescinded, the Exchange Price shall again be adjusted to be the Exchange Price that would then be in effect if such tender or exchange offer had not been made. Notwithstanding the foregoing, the adjustment described in this Section 1.3(h) shall not be made if, as of the Offer Expiration Date, the offering documents with respect to such offer disclose a plan or intention to cause CCI to engage in any
transaction described in Section 1.4.

(i) For purposes of this Section 1.3:

(i) "Board of Directors" means the Board of Directors of CCI or any authorized committee of the Board of Directors of CCI.

(ii) "Business Day" means any day other than a Legal Holiday.

(iii) "Capital Stock" means:

(a) in the case of a corporation, corporate stock;

(b) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(c) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(d) any other interest (other than any debt obligation) or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

(iv) "Common Stock" means the Class A Common Stock, par value $.001 per share, of CCI authorized at the date of this instrument as originally executed.

(v) "Current Market Price" of the Common Stock on any day means the average of the Sale Price of the Common Stock for each of the 10 consecutive Trading Days ending on the earlier of the day in

question and the day before the "ex-date" with respect to the issuance or distribution requiring such computation.

For purposes of this paragraph, the term "ex" date, when used:

(A) with respect to any issuance or distribution, means the first date on which the shares of the Common Stock trade on the applicable exchange or in the applicable market, regular way, without the right to receive such issuance or distribution;

(B) with respect to any subdivision or combination of shares of Common Stock, means the first date on which the Common Stock trades regular way on such exchange or in such market after the time at which such subdivision or combination becomes effective, and

(C) with respect to any tender or exchange offer, means the first date on which the Common Stock trades regular way on such exchange or in such market after the Expiration Date or Offer Expiration Date of such offer.

Notwithstanding the foregoing, whenever successive adjustments to the Exchange Price are called for pursuant to this Section 1.3, such adjustments shall be made to the Current Market Price as may be necessary or appropriate to effectuate the intent of this Section 1.3 and to avoid unjust or inequitable results as determined in good faith by the Board of Directors.

(vi) "Fair Market Value" shall mean the amount that a willing buyer would pay a willing seller in an arm's length transaction.

(vii) "Legal Holiday" means a Saturday, a Sunday or a day on which banking institutions in The City of New York are authorized by law, regulation or executive order to remain closed.

(viii) "Person" means any individual, corporation, partnership, joint venture, association, Limited Liability Company, joint stock company, trust, unincorporated organization, government or agency or political subdivision thereof or any other entity.

(ix) "Record Date" shall mean, with respect to any dividend, distribution or other transaction or event in which the holders of Common Stock have the right to receive any cash, securities or other property or in which the Common Stock (or other applicable security) is exchanged for or converted into any combination of cash, securities or other property, the date fixed for determination of stockholders entitled to receive such cash, securities or other

property (whether such date is fixed by the Board of Directors or by statute, contract or otherwise).

(x) "Sale Price" of Common Stock or any other security on any date means the closing sale price per share (or if no closing sale price is reported, the average of the bid and asked prices or, if more than one in either case, the average of the average bid and the average asked prices) on that date as reported in transactions for the principal U.S. securities exchange on which the Common Stock or such other security is traded, or if the Common Stock or such other security is not listed on a U.S. national or regional securities exchange, as reported by the Nasdaq National Market. The Sale Price will be determined without reference to after-hours or extended market trading. If the Common Stock or such other security is not listed for trading on a U.S. national or regional securities exchange and not reported by the Nasdaq National Market on the relevant date, the Sale Price will be the last quoted bid price for the Common Stock or such other security in the Nasdaq Small Cap Market or in the over-the-counter market on the relevant date as reported by Pink Sheets LLC or any similar organization. If the Common Stock or such other security is not so quoted, the Sale Price will be the average of the mid-point of the last bid and asked prices for the Common Stock or such other security on the relevant date from each of at least three nationally recognized independent investment banking firms selected by CCI for this purpose.

(xi) "Subsidiary" means, with respect to any Person:

(a) any corporation, association or other business entity of which at least 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person (or a combination thereof) and, in the case of any such entity of which 50% of the total voting power of shares of Capital Stock is so owned or controlled by such Person or one or more of the other Subsidiaries of such Person, such Person and its Subsidiaries also has the right to control the management of such entity pursuant to contract or otherwise; and

(b) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are such Person or of one or more Subsidiaries of such Person (or any combination thereof).

(xii) "Trading Day" means a day during which trading in securities generally occurs on the principal U.S. national or regional securities exchange on which the Common Stock is then listed or, if the Common Stock is not then listed on a national or regional securities exchange, on the Nasdaq National Market or, if the Common Stock is not then quoted on the Nasdaq National Market, on the principal other market on which the Common Stock is traded.

(xiii) For purposes of this Section 1.3, the number of shares of Common Stock at any time outstanding shall not include shares held in the treasury of CCI but shall include shares issuable in respect of scrip certificates issued in lieu of fractions of shares of Common Stock. HoldCo will cause CCI not to pay any dividend or make any distribution on shares of Common Stock held in the treasury of CCI.

(xiv) All calculations under this Section 1.3 shall be made to the nearest cent or to the nearest one-hundredth of a share, as the case may be.

(xv) To the extent CCI has a rights plan in effect upon exchange of the CCHC Note for HoldCo Units and the exchange of the HoldCo Units for Common Stock, CII shall receive, in addition to shares of Common Stock, the rights under the rights plan corresponding to the shares of Common Stock received upon conversion, unless prior to any conversion, the rights shall have separated from the shares of Common Stock, in which case the Exchange Price shall be adjusted as of the date of such separation as if the Company had distributed to all holders of Common Stock shares of CCI's Capital Stock, evidences of indebtedness or other property as provided in Section 1.3(e), subject to readjustment in the event of the expiration, termination or redemption of such rights.

1.4 Provision in Case of Consolidation, Merger or Sale of Assets.

In case of any recapitalization, reclassification or change in the Common Stock or the HoldCo Units (other than changes resulting from a subdivision or combination which is subject to Section 1.3(b)), a consolidation, merger or combination of CCI or HoldCo with or into any other Person, any merger of another Person with or into CCI or HoldCO (other than a merger which does not result in any reclassification, conversion, exchange or cancellation of outstanding shares of Common Stock of CCI or HoldCo Units) or any conveyance, sale, transfer or lease of the consolidated assets of CCI and its Subsidiaries substantially as an entirety, or any statutory share exchange (any of the foregoing, a "Transaction"), in each case as a result of which holders of Common Stock or HoldCo Units are entitled to receive stock, other securities, other property or assets (including cash or any combination thereof) with respect to or in exchange for the Common Stock or HoldCo Units, CII and HoldCo or the Person formed by such consolidation or resulting from such merger or which acquires such assets, as the case may be, shall execute and

deliver an appropriate amendment this Agreement to provide for an appropriate adjustment to the Exchange Price or to Section 1.1 to ensure that CII, upon exchange of the CCHC Note, will be able to receive what CII would have received if CII had exchanged the CCHC Note for HoldCo units prior to such Transaction and, at CII's option, exchanged such HoldCo Units for shares of common stock of CCI in accordance with the provisions of the Allen Exchange Agreement immediately prior to such Transaction. The above provisions of this Section 1.4 shall similarly apply to successive consolidations, mergers, conveyances, sales, transfers or leases.

1.5 Notice of Adjustment of Exchange Price.

Unless otherwise provided herein, whenever the Exchange Price is adjusted as herein provided, HoldCo shall:

(a) compute the adjusted Exchange Price in accor-dance with Section 1.3 hereof and shall prepare a certificate signed by the manager of HoldCo setting forth the adjusted Exchange Price and showing in reasonable detail the facts upon which such adjustment is based; and

(b) prepare and deliver a notice to CII at the address set forth in Section 5.5 hereof stating that the Exchange Price has been adjusted and setting forth the adjusted Exchange Price as soon as practicable after it is prepared.

1.6 Exercise of the Exchange Right.

(a) Either CII or HoldCo may, subject to the terms and conditions of Section 1.1 and 1.2, exercise its exchange right, on any Trading Day. In order to exercise its exchange right, CII or HoldCo, as the case may be, shall (i) deliver to other Party a written notice at the address set forth in Section 5.5 hereof of the election to exercise such exchange right (an "Exchange Notice") substantially in the form of Exhibit B hereto, which Exchange Notice shall be irrevocable and, in the case of an exchange right exercisable by HoldCo shall, specify the number of HoldCo Units to be exchanged for the CCHC Note, and (ii) deliver such certificate, certificates or other instrument representing the securities exchangeable upon such exercise.

(b) Upon receipt of such Exchange Notice, HoldCo shall, as promptly as practicable, and in any event within five (5) Trading Days thereafter, execute (or cause to be executed) and deliver (or cause to be delivered) to CII a certificate, certificates or other instrument representing the HoldCo Units issuable upon such exchange, as hereafter provided. The certificate, certificates or other instrument so delivered shall be, to the extent possible, in such denomination or denominations as CII shall reasonably request and shall be registered on the books of HoldCo in the name of CII or such other name as shall be designated by CII.

(c) HoldCo shall not be required to issue a fractional unit of HoldCo Units upon exchange by CII. As to any fraction of a HoldCo Unit that CII would otherwise be entitled to upon such exchange, HoldCo shall pay to CII an amount in cash equal to such fraction multiplied by the Exchange Price of one HoldCo Unit on the Exchange Date.

1.7 Tax Treatment of Exchange of the Note for HoldCo Units.

Upon an exchange by CII (or any transferee) of the CCHC Note for HoldCo Units pursuant to Section 1.1 or 1.2 of this Agreement, such exchange shall be treated as a contribution to the capital of HoldCo under section 721 of the Internal Revenue Code (the "Code") by a partner in its capacity as a partner and CII's (or such transferee's) capital account in HoldCo shall be increased by the fair market value of such CCHC Note as of the date of such contribution, as determined in accordance with Treasury Regulations issued pursuant to the Code.

II. REPRESENTATIONS AND WARRANTIES OF CII.

CII represents and warrants, as of the date of this Agreement:

2.1 Power, Authority and Enforceability.

(a) CII has the requisite power and authority, and has taken all required action necessary, to execute, deliver and perform this Agreement and to exchange the CCHC Note hereunder.

(b) This Agreement has been duly executed and delivered by CII and constitutes the legal, valid and binding obligation of CII enforceable in accordance with its terms, except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other laws of general application affecting enforcement of creditors' rights generally and (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

III. REPRESENTATIONS AND WARRANTIES OF HOLDCO.

HoldCo represents and warrants, as of the date of this Agreement:

3.1 Power, Authority and Enforceability.

(a) HoldCo has the requisite power and authority, and has taken all required action necessary, to execute, deliver and perform this Agreement and to exchange the HoldCo Units hereunder.

(b) This Agreement has been duly executed and delivered by HoldCo and constitutes the legal, valid and binding obligation of HoldCo enforceable in accordance with its terms, except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other laws of general application affecting enforcement of creditors' rights generally, and (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

3.2 Compliance with Other Instruments.

The execution, delivery and performance of this Agreement by HoldCo and the consummation by HoldCo of the transactions contemplated hereby do not and will not (i) result

in a violation of HoldCo's constituent documents or (ii) conflict with, or constitute a default under (or an event which with notice or lapse of time or both would become a default), or give to others any rights of termination, amendment, acceleration or cancellation of, any material agreement, indenture or instrument to which HoldCo or any of its subsidiaries is a party, or result in a violation of any law, rule, regulation, order, judgment or decree applicable to HoldCo or any of its subsidiaries or by which any property or asset of HoldCo or any of its subsidiaries is bound or affected.

IV. COVENANTS.

4.1 Transfer or Assignment of Exchange Rights.

(a) CII shall not transfer or assign its rights under this Agreement without the prior written consent of HoldCo, which consent may be granted or withheld, conditioned or delayed, as HoldCo may determine in its sole discretion; provided, however, that CII may transfer or assign its rights under this Agreement without the prior written consent of HoldCo to any Person to whom the CCHC Note is transferred or assigned in accordance with its terms.

(b) So long as CII/Successor holds the CCHC Note, neither Mr. Allen nor any Person in Control (as defined in the Note) of CII/Successor (as defined in the CCHC Note) shall transfer Control of CII/Successor without the prior written consent of HoldCo, which consent may be granted or withheld, conditioned or delayed, as HoldCo may determine in its sole discretion; provided, however, that Mr. Allen and any Person in Control of CII/Successor may transfer Control of CII/Successor without the prior written consent of HoldCo in accordance with the terms of the CCHC Note; provided, however, that the foregoing is not intended to, nor shall it, limit any rights of any person pursuant to the Exchange Agreement dated as of November 12, 1999 by and among CCI, CII, Vulcan Cable III, Inc., and Mr. Allen.

(c) Any assignee or transferee to which CII has assigned or transferred its rights hereunder in accordance with this Article IV shall succeed to all rights and obligations of CII, and, except in connection with any transaction contemplated by the Allen Exchange Agreement, CII shall cause such assignee or transferee to, execute documents reasonably satisfactory to HoldCo evidencing such succession.

V. MISCELLANEOUS

5.1 Successors and Assigns.

Except as otherwise provided herein, the terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the Parties hereto. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the Parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement.

5.2 Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to the conflict of law provisions thereof.

5.3 Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

5.4 Titles and Subtitles.

The title and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

5.5 Notices.

Unless otherwise provided, any notice required or permitted under this Agreement shall be given in writing and shall be deemed effectively given (a) upon personal delivery to the party to be notified, (b) on the fifth (5th) day after deposit with the United States Post Office, by registered or certified mail, postage prepaid, (c) on the next business day after dispatch via nationally recognized overnight courier or (d) upon confirmation of transmission by facsimile, all addressed to the party to be notified at the address indicated for such party below, or at such other address as such party may designate by ten (10) days' advance written notice to the other parties. Notices should be provided in accordance with this Section at the following addresses:

If to CII or Mr. Allen, to:

Charter Investment, Inc.
505 Fifth Avenue S, Suite 900
Seattle, WA 98104
Attention: General Counsel
Facsimile (206) 342-3347

with a copy (which shall not constitute notice) to:

Mr. Allen D. Israel
Foster Pepper & Shefelman PLLC
1111 Third Avenue, 34th Floor
Seattle, WA 98101
Facsimile: (206) 749-1957

and with a copy (which shall not constitute notice) to:

Mr. Nicholas P. Saggese
Skadden, Arps, Slate, Meagher & Flom LLP
300 South Grand Avenue, 34th Floor
Los Angeles, California 90071
Facsimile: (213) 687-5600

If to HoldCo, to:

c/o Charter Communications, Inc.
12405 Powerscourt Drive
St. Louis, Missouri 63131-3674
Attention: General Counsel
Facsimile: (314) 965-8793

with a copy (which shall not constitute notice) to:

Mr. Dennis Friedman
Gibson, Dunn & Crutcher LLP
200 Park Avenue
New York, New York 10166
Facsimile: (212) 351-6201

5.6 Amendments and Waivers.

No term of this Agreement may be amended, without the written consent of each Party.

5.7 Severability.

If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision shall be excluded from this Agreement and the balance of this Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

5.8 Entire Agreement.

This Agreement, the Exhibits hereto and the agreements referred to herein constitute and are intended to constitute the entire agreement of the Parties concerning the subject matter hereof. No covenants, agreements, representations or warranties of any kind whatsoever have been made by any Party hereto, except as specifically set forth herein. All prior or contemporaneous discussions or negotiations with respect to the subject matter hereof are superseded by this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CHARTER INVESTMENT, INC.

By: _____
Name: _____
Its: _____

CHARTER COMMUNICATIONS HOLDING COMPANY, LLC

By: _____
Name: _____
Its: _____

Paul G. Allen has executed this Agreement effective as of the date set forth above solely for purposes of confirming his consent to the provisions of Article IV hereof.

_____
Paul G. Allen

Exhibit B

NOTICE OF EXCHANGE

Pursuant to the Exchange Agreement, by and between Charter Investment, Inc. and Charter Communications Holding Company, LLC, dated as of October ___, 2005 (the "Exchange Agreement"), the undersigned irrevocably exercises the exchange right set forth in the Exchange Agreement.

_____
(Name)

_____
(Signature)

_____
(Street Address)

_____
(City) (State) (Zip Code)

Exhibit 10.19

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY APPLICABLE STATE SECURITIES LAWS. IT MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF A REGISTRATION STATEMENT IN EFFECT WITH RESPECT THERETO UNDER THE ACT AND APPLICABLE LAWS OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND APPLICABLE LAWS OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.

THIS NOTE IS ISSUED WITH ORIGINAL ISSUE DISCOUNT ("OID") UNDER SECTION 1272 ET SEQ. OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED. CALL THE DIRECTOR OF INVESTOR RELATIONS OF CHARTER COMMUNICATIONS, INC. AT 12405 POWERSCOURT DRIVE, ST. LOUIS, MO 63131, AT (314) 965-0555 FOR THE ISSUE PRICE, THE ISSUE DATE, THE AMOUNT OF OID AND THE YIELD TO MATURITY OF THIS NOTE.

CCHC, LLC

SUBORDINATED ACCRETING NOTE

St. Louis, Missouri
October 31, 2005

CCHC, LLC, a Delaware limited liability company (the "Company"), the principal office of which is located at 12405 Powerscourt Drive, St. Louis, Missouri 63131, for value received, hereby promises to pay to Charter Investment, Inc. ("CII"), or its successors or registered assigns, the principal sum of the Accreted Value of this Note on October 31, 2020. The initial Accreted Value of this Subordinated Accreting Note (the "Note") is FORTY-EIGHT MILLION TWO HUNDRED THOUSAND DOLLARS ($48,200,000). The initial Accreted Value of this Note shall increase on a daily basis at the rate of 14% per annum, compounded quarterly on the basis of a 360-day year of twelve 30-day months; provided, however, that from and after February 28, 2009, the Company may pay any such increase in the Accreted Value in cash and the Accreted Value of the Note will not increase to the extent such amount has been paid in cash. Interest will be paid upon overdue principal and premium, if any, compounded quarterly on the basis of a 360-day year of twelve 30-day months from the due date at 14% per annum to the extent such payment is lawful.

Payment for all amounts due hereunder shall be made by mail to the registered address of the Holder. The holder of this Note shall be entitled to the rights and privileges set forth in, and the obligations of, that certain Exchange Agreement, by and between CII and Charter Communications Holding Company, LLC, dated as of October 31, 2005 (the "Exchange Agreement").

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

IN WITNESS WHEREOF, the Company has caused this Note to be issued this 31st day of October, 2005.

CCHC, LLC

By: /s/ Paul E. Martin
Name: Paul E. Martin
Title: Senior Vice President,
Interim Chief Financial Officer

[REVERSE OF NOTE]

The following is a statement of the rights of the Holder of this Note and the conditions to which this Note is subject, and to which the Holder hereof, by the acceptance of this Note, agrees:

ARTICLE 1. DEFINITIONS.

As used in this Note, the following terms, unless the context otherwise requires, have the following meanings:

1.1 "Accreted Value" means (i) on the date hereof, FORTY EIGHT MILLION TWO HUNDRED THOUSAND DOLLARS ($48,200,000) , and (ii) as of any date of determination after the date hereof and prior to October 31, 2020, the sum (rounded to the nearest whole dollar) of (a) FORTY EIGHT MILLION TWO HUNDRED THOUSAND DOLLARS ($48,200,000) and (b) accretions thereon on a daily basis at the rate of 14% per annum, compounded on each March 31, June 30, September 30 and December 31, from October 31, 2005 through such date of determination, and (iii) as of any date on and after October 31, 2020, the sum (rounded to the nearest whole dollar) of (a) FORTY EIGHT MILLION TWO HUNDRED THOUSAND DOLLARS ($48,200,000) and (b) accretions thereon on a daily basis at the rate of 14% per annum, compounded quarterly on each March 31, June 30, September 30, and December 31, from October 31, 2020; minus (c) the amount of any cash payments actually made in respect of accretions on the Note from and after February 28, 2009 as provided in Article II.

1.2 "CCI" means Charter Communications, Inc., a Delaware corporation.

1.3 "Charter Change of Control" a reorganization, merger, consolidation or other transaction or transactions, other than with Mr. Allen or one or more of his affiliates and other than in connection with any transactions with CCI or one or more of its subsidiaries, (whether or not CCI is a party thereto and specifically including, without limitation, open market purchases of securities), as a result of which any person or entity or "group" of persons or entities (other than Mr. Allen, any of his affiliates or CCI or any of its affiliates) becomes the "beneficial owner" (as those terms are defined in and construed by judicial authority under Rule 13d-3 promulgated under the Securities Exchange Act of 1934, as amended, as that Rule may be amended from time to time) of Common Stock or options, warrants or other rights to acquire Common Stock or and Convertible Securities representing in the aggregate at least 50% of the ordinary voting power of CCI in the election of directors.

1.4 "Common Stock" means the common stock, par value $0.001, of CCI.

1.5 "Company" includes any limited liability company, partnership, corporation or other legal entity which shall succeed to or assume the obligations of CCHC, LLC under this Note.

1.6 "Holder," when the context refers to a holder of this Note, shall mean any person or entity who shall at the time be the registered holder of this Note.

1.7 "Junior Security" means (a) any common equity interests of the Company or (b) any indebtedness issued by the Company that is contractually subordinated in right of payment to all Senior Indebtedness (and any securities issued in exchange for or in replacement of Senior Indebtedness) at least to the same extent as the Note is subordinated to Senior Indebtedness pursuant to Article 6 and has no scheduled installment of principal due, by redemption, sinking fund payment or otherwise, on or prior to the maturity of the Note.

1.8 "Mr. Allen" means Paul G. Allen.

1.9 "Related Party" means

(a) any individual who is (i) Mr. Allen, or the parent or sibling of Mr. Allen, or (ii) any lineal or adopted descendant of Mr. Allen or of his sibling, or (iii) any lineal or adopted descendant of any individual described in clause (ii) of this subparagraph 1.9(a), and (iv) any spouse of any individual described in clauses (i), (ii) and (iii) of this subparagraph 1.9(a), and any lineal or adopted descendant of any such spouse,

(b) the estate of any individual described in subparagraph 1.9(a),

(c) a trust in which (i) one or more individuals described in subparagraph 1.9(a) have a majority of the beneficial interests (determined actuarially) and (ii) a majority of the trustees are one or more individuals described in subparagraph 1.9(a),

(d) a split interest trust (*i.e.*, a charitable remainder trust or charitable lead trust) (i) of which the sole beneficiaries are Mr. Allen and/or individuals described in subparagraph 1.9(a) and a charitable institution qualified under Section 501(c)(3) of the U.S. Internal Revenue Code of 1986, as amended, and (ii) of which the sole trustees are one or more individuals described in subparagraph 1.9(a),

(e) any general partnership, limited partnership, limited liability company, limited liability partnership, corporation, real estate investment trust, or association at least 80 percent of the equity interests in which are, at the time of a transfer to such entity, owned, directly or indirectly (through any entity described in subparagraphs 1.9(b), 1.9(c), 1.9(d), or this subparagraph 1.9(e)), by any individual described in subparagraph 1.9(a), or

(f) any general partnership, limited partnership, limited liability company, limited liability partnership, corporation, real estate investment trust, or association (i) at least 50 percent of the equity interests in which are, at the time of a transfer to such entity, owned by Mr. Allen and (ii) the management and policies of which are directed by Mr. Allen, directly or indirectly, whether through the ownership of voting securities or by contract or otherwise.

ARTICLE 2. ACCRETION; INTEREST AND METHOD OF PAYMENT.

The initial Accreted Value of the Note will increase at the rate of 14% per annum, compounded on each March 31, June 30, September 30 and December 31, from October 31, 2005 through October 31, 2020; provided, however, that from and after February 28, 2009, the Company may pay accretions with respect to the Note in cash and, to the extent the Company pays such accretions in cash, the Accreted Value of the Note will not increase by such amount. Payment of the principal of, interest or premium, if any, on the Note or such lesser amount payable upon the acceleration of the maturity of the Note will include accreted amounts through but excluding the date of such payment, computed on the basis of a 360-day year of twelve 30-day months. Interest will accrue upon overdue principal and premium, and interest, if any, compounded quarterly from the due date at the rate borne by the Note to the extent such payment is lawful.

The Holder must surrender this Note to the Company to collect payment or principal or Accreted Value. The principal of, Accreted Value, interest and premium, if any, on this Note will be payable at the office or agency of the Company maintained for such purpose or, at the option of the Company, payment may be made by check mailed to the Holder of the Note at its address that has previously been provided to the Company. All payments, including redemption payments, shall be in coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

ARTICLE 3. OPTIONAL REDEMPTION; MAKE WHOLE PREMIUM.

3.1 Except as set forth below, the Company shall not be entitled to redeem this Note at its option prior to February 28, 2009 (the "Hard Call Date") From and after the Hard Call Date, the Note may be redeemed at the option of the Company, in whole but not in part, at any time, upon not less than 30 nor more than 60 days' prior notice to the Holder of the Note, at the Accreted Value thereof to, but excluding, the Redemption Date.

3.2 Prior to the Hard Call Date, the Note may be redeemed at the option of the Company, in whole but not in part, upon not less than 30 nor more than 60 days' prior notice to each Holder of the Note, upon the occurrence of any of the following:

(a) a Charter Change of Control;

(b) a sale by Charter Communications Holding Company, LLC, a Delaware limited liability company ("HoldCo"), of all of HoldCo's equity interests in the Company other than to CCI or its affiliates or Mr. Allen or his affiliates; or

(c) a sale of all of the Company's assets other than to CCI or its affiliates or Mr. Allen or his affiliates.

If the Company elects to exercise its redemption right as set forth in this Section 3.2, the Company shall redeem the Note at the Accreted Value thereof to, but excluding, the Redemption Date, plus the Make-Whole Amount.

For purposes of this Article 3, the following defined terms shall have the following meanings:

(d) "Make-Whole Amount" means the aggregate present value as of the Redemption Date of the amount of interest that would have accreted on the Note from the Redemption Date to, but excluding, the Hard Call Date if such redemption had not been made, determined by discounting, on a quarterly basis (assuming a 360-day year of twelve 30-day months), such interest at the Reinvestment Rate, determined on the third business day preceding the date notice of such redemption is given, from what the Accreted Value would have been on the Hard Call Date if such redemption had not been made, to the Redemption Date; provided, however that the Make-Whole Amount shall not be less than $1.00.

(e) "Reinvestment Rate" means the yield under the headings "Week Ending" published in the most recent Statistical Release under the capital "Treasury Constant Maturities" for the maturity, rounded to the nearest month, corresponding to the remaining period of time through the Hard Call date, as of the Redemption Date; provided, however, if there is more than one such yield published for such maturity, "Reinvestment Rate" means the arithmetic mean of such yields. If no maturity exactly corresponds to such period of time, the yields for the two published maturities most closely corresponding to such period of time will be calculated pursuant to the immediately preceding sentence, and the "Reinvestment Rate" will be interpolated or extrapolated from such yields on a straight-line basis, rounding in each of the relevant periods to the nearest month. For purposes of calculating the "Reinvestment Rate," the most recent Statistical Release published prior to the date of determination of the Make-Whole Amount will be used.

(f) "Statistical Release" means the statistical release designated "H.15(519)" or any successor publication which is published weekly by the Federal Reserve System and which establishes yields on actively traded United States government securities adjusted to constant maturities or, if such statistical release is not published at the time of any determination, then such other reasonably comparable index which shall be designated by the Company.

ARTICLE 4. NOTICE OF REDEMPTION.

Notice of redemption will be mailed by first class mail at least 30 days but not more than 60 days before the Redemption Date to the Holder at the Holder’s registered address. Any notice of redemption shall be unconditional and the Accreted Value of the Note, together with any applicable Make-Whole Amount, shall be due on the date for redemption of the Note specified in such notice of redemption (the "Redemption Date").

ARTICLE 5. EVENTS OF DEFAULT.

5.1 If any of the events specified in this Article 5 shall occur (herein individually referred to as an "Event of Default"), the Holder may, so long as such condition exists, declare the entire Accreted Value immediately due and payable, by notice in writing to the Company:

(a) Default in the payment of the principal of, or premium, if any, or any other amounts with respect to this Note, in each case, when due and payable; or

(b) The institution by the Company of proceedings to be adjudicat-ed as bankrupt or insolvent, or the consent by it to institution of bankrupt-cy or insolvency proceedings against it or the filing by it of a petition or answer or consent seeking reorganization or release under Title 11 of the U.S. Code or any federal or state law of any jurisdiction relating to bankruptcy, insolvency, winding up, liquidation, reorganization or relief of debtors, or any other applicable federal or state law, or the consent by it to the filing of any such petition or the appointment of a receiver, liq-uidator, assignee, trustee or other similar official of the Company, or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the taking of corporate action by the Company in furtherance of any such action; or

(c) If, within sixty (60) days after the commencement of an action against the Company (and service of process in connection therewith on the Company) seeking any bankruptcy, insolvency, reorganization, liquidation, dissolution or similar relief under any present or future statute, law or regu-lation, such action shall not have been resolved in favor of the Company or all orders or proceedings thereunder affecting the operations or the business of the Company stayed, or if the stay of any such order or proceeding shall thereafter be set aside, or if, within sixty (60) days after the appointment without the consent or acquiescence of the Company of any trustee, receiv-er or liquidator of the Company or of all or any substantial part of the properties of the Company, such appointment shall not have been vacated.

ARTICLE 6. SUBORDINATION.

6.1 Subordination. This Note shall be issued subject to the provisions of this Article 6; and the Holder accepts and agrees that all payments of the principal of, premium, if any, and interest on (and other obligations, if any, with respect to) this Note by the Company shall, to the extent and in the manner set forth in this Article 6, be subordinated and junior in right of payment to the prior payment in full in cash of all obligations arising under Senior Indebtedness. As used in this Note, the term "Senior Indebtedness" shall mean all liabilities of the Company which would appear on a balance sheet of the Company prepared in accordance with generally accepted accounting principles.

6.2 No Payment On This Note In Certain Circumstances.

(a) No direct or indirect payment (other than in Junior Securities (as defined herein)) by or on behalf of the Company of principal of, premium, if any, or interest on (and other obligations, if any, with respect to) this Note, whether pursuant to the terms of this Note, upon acceleration, redemption or otherwise, will be made, if, at the time of such payment, there exists a default in the payment of all or any portion of the obligations on any Senior Indebtedness, whether at maturity, on account of mandatory redemption or prepayment, acceleration or otherwise, and such default shall not have been cured or waived in writing or the benefits of this sentence waived in writing by or on behalf of the holders of such Senior Indebtedness. In addition, during the continuance of any non-payment event of default with respect to any Senior Indebtedness pursuant to which the maturity thereof may be immediately accelerated by the holder or holders of such Senior Indebtedness or may be accelerated by the holder or holders of such Senior Indebtedness with the giving of notice or the passage of time or both, and upon receipt by the Company or any trustee of the Company's Senior Indebtedness (each a "Trustee") of written notice (a "Payment Blockage Notice") from the holder or holders of such Senior Indebtedness or the Trustee or agent acting on behalf of the holders of such Senior Indebtedness, then, unless and until such event of default has been cured or waived in writing or has ceased to exist or such Senior Indebtedness has been discharged or repaid in full in cash (or such payment shall be duly provided for in a manner satisfactory to holders of Senior Indebtedness) or otherwise to the extent holders of Senior Indebtedness in their sole discretion accept satisfaction of amounts due by settlement in other than cash or the benefits of these provisions have been waived in writing by the holders of such Senior Indebtedness, no direct or indirect payment (other than in Junior Securities) will be made by or on behalf of the Company of principal of, premium, if any, or interest on (and other obligations, if any, with respect to) this Note, whether pursuant to the terms of this Note, upon acceleration, redemption or otherwise to such holders during a period (a "Payment Blockage Period") commencing on the date of receipt of the Payment Blockage Notice by the Company and ending 179 days thereafter. The Company shall deliver a copy of the Payment Blockage Notice to the Holder promptly upon receipt thereof.

(b) Notwithstanding anything in the subordination provisions of this Note to the contrary, (1) in no event will a Payment Blockage Period extend beyond 179 days from the date the Payment Blockage Notice in respect thereof was given and (2) not more than one Payment Blockage Period may exist with respect to this Note during any period of 360 consecutive calendar days. No default that existed or was continuing on the date of delivery of any Payment Blockage Notice (whether or not such event is with respect to the same issue of Senior Indebtedness) may be, or be made, the basis for a subsequent Payment Blockage Notice, unless such default has been cured or waived for a period of not less than 90 consecutive calendar days.

(c) In the event that, notwithstanding the foregoing, any payment shall be received by the Holder at a time when such payment is prohibited by Section 6.2(a), such payment shall be received and held in trust for the benefit of, and shall be paid over or delivered to, the holders of Senior Indebtedness or their respective representatives, or

to the Trustee or Trustees or agent or agents under any indenture or agreement pursuant to which any of such Senior Indebtedness may have been issued or incurred, as their respective interests may appear, but only to the extent that, upon notice from the Company to the holders of Senior Indebtedness that such prohibited payment has been made, the holders of the Senior Indebtedness (or their representative or representatives or a Trustee or Trustees) notify the Company in writing of the amounts then due and owing on the Senior Indebtedness, if any, and only the amounts specified in such notice to the Company shall be paid to the holders of Senior Indebtedness.

6.3 Payment Over Of Proceeds Upon Dissolution, Etc.

(a) Upon any payment or distribution of assets or securities of the Company of any kind or character, whether in cash, property or securities, to the creditors of the Company upon any dissolution or winding-up or total liquidation or reorganization of the Company, whether voluntary or involuntary, or in bankruptcy, insolvency, receivership or other similar proceedings relating to the Company, any assignment for the benefit of creditors or any marshalling of the Company's assets and liabilities, the holders of Senior Indebtedness shall be entitled to receive payment in full in cash of all obligations due in respect of such Senior Indebtedness (including interest accruing after, or which would accrue but for, the commencement of any proceeding at the rate specified in the applicable Senior Indebtedness, whether or not a claim for such interest would be allowed), or have provision made for such payment in a manner acceptable to holders of such Senior Indebtedness, before the Holder shall be entitled to receive any payment by the Company of the principal of, premium, if any, or interest on (and other obligations, if any, with respect to) this Note, or any payment by the Company to acquire any of this Note for cash, property or securities, or any distribution by the Company with respect to this Note of any cash, property or securities (in each case, other than payments in Junior Securities).

(b) In the event that, notwithstanding the foregoing provision prohibiting such payment or distribution, any payment or distribution of assets or securities of the Company of any kind or character, whether in cash, property or securities (in each case, other than Junior Securities), shall be received by the Holder at a time when such payment or distribution is prohibited by Section 6.2 and before all obligations in respect of Senior Indebtedness are paid in full in cash (or such payment shall be duly provided for in a manner satisfactory to the holders of Senior Indebtedness) or otherwise to the extent holders of Senior Indebtedness in their sole discretion accept satisfaction of amounts due by settlement in other than cash, such payment or distribution shall be received and held in trust for the benefit of, and shall be paid over or delivered to, the holders of Senior Indebtedness (pro rata to such holders on the basis of the respective amounts of Senior Indebtedness held by such holders) or their respective representatives, or to the Trustee or Trustees or agent or agents under any indenture or agreement pursuant to which any of such Senior Indebtedness may have been issued or incurred, as their respective interests may appear, for application to the payment of Senior Indebtedness remaining unpaid until all such Senior Indebtedness has been paid in full in cash (or such payment shall be duly provided for in a manner satisfactory to the holders of Senior Indebtedness) or otherwise to the extent holders of Senior Indebtedness

in their sole discretion accept satisfaction of amounts due by settlement in other than cash after giving effect to any prior or concurrent payment, distribution or provision therefor to or for the holders of such Senior Indebtedness.

(c) Upon the payment in full in cash (or such payment shall be duly provided for in a manner satisfactory to the holders of Senior Indebtedness) or otherwise to the extent holders of Senior Indebtedness in their sole discretion accept satisfaction of amounts due by settlement in other than cash of all Senior Indebtedness, the Holder shall be subrogated to the rights of the holders of Senior Indebtedness to receive payments or distributions of cash, cash equivalents, property or securities of the Company made on such Senior Indebtedness until the principal of, premium, if any, and interest on this Note shall be paid in full in cash or this Note is no longer outstanding; and, for the purposes of such subrogation, no payments or distributions to the holders of the Senior Indebtedness of any cash, cash equivalents, property or securities to which the Holder would be entitled except for the provisions of this Article 6, and no payment pursuant to the provisions of this Article 6 to the holders of Senior Indebtedness by the Holder shall, as between the Company, its creditors other than holders of Senior Indebtedness, and the Holder, be deemed to be a payment by the Company to or on account of the Senior Indebtedness. It is understood that the provisions of this Article 6 are and are intended solely for the purpose of defining the relative rights of the Holder, on the one hand, and the holders of the Senior Indebtedness, on the other hand.

(d) If any payment or distribution to which the Holder would otherwise have been entitled but for the provisions of this Article 6 shall have been applied, pursuant to the provisions of this Article 6, to the payment of all amounts payable under Senior Indebtedness, then and in such case, the Holder shall be entitled to receive from the holders of such Senior Indebtedness any payments or distributions received by such holders of Senior Indebtedness in excess of the amount required to make payment in full in cash of such Senior Indebtedness (or to duly provide for such payment in a manner satisfactory to the holders of Senior Indebtedness) or otherwise to the extent holders of Senior Indebtedness in their sole discretion accept satisfaction of amounts due by settlement in other than cash.

6.4 Obligations Of Company Unconditional. Nothing contained in this Article 6 is intended to or shall impair, as among the Company and the Holder, the obligation of the Company, which is absolute and unconditional, to pay to the Holder the principal of, premium on and interest on this Note as and when the same shall become due and payable in accordance with their terms, or is intended to or shall affect the relative rights of the Holder and creditors of the Company other than the holders of the Senior Indebtedness, nor shall anything herein or therein prevent the Holder from exercising all remedies otherwise permitted by applicable law upon default under this Note, subject to the rights, if any, under this Article 6 of the holders of the Senior Indebtedness in respect of cash, cash equivalents, property or securities of the Company received upon the exercise of any such remedy.

Without limiting the generality of the foregoing, nothing contained in this Article 6 shall restrict the right of the Holder to take any action to declare this Note to be

due and payable prior to their stated maturity pursuant to Section 3.1 or to pursue any rights or remedies hereunder; provided, however, that all Senior Indebtedness then due and payable shall first be paid in full in cash, or have provision made for such payment in a manner satisfactory to the holders of such Senior Indebtedness, before the Holder is entitled to receive any direct or indirect payment from the Company of principal of, premium and interest on (and other obligations, if any, with respect to) this Note.

6.5 Subordination Rights Not Impaired By Acts Or Omissions Of The Company Or Holders Of Senior Indebtedness. No right of any present or future holders of any Senior Indebtedness to enforce subordination as provided herein shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of the Company or by any act or failure to act, in good faith, by any such holder, or by any noncompliance by the Company with the terms of this Note, regardless of any knowledge thereof which any such holder may have or otherwise be charged with. The provisions of this Article 6 are intended to be for the benefit of, and shall be enforceable directly by, the holders of Senior Indebtedness.

6.6 This Article Not To Prevent Events Of Default. The failure to make a payment on account of principal of, or premium, if any, on this Note by reason of any provision of this Article 6 shall not be construed as preventing the occurrence of an Event of Default specified in clause (a) of Section 5.1.

6.7 No Waiver Of Subordination Provisions. Without in any way limiting the generality of Section 6.5, the holders of Senior Indebtedness may, at any time and from time to time, without the consent of or notice to the Holder, without incurring responsibility to the Holder and without impairing or releasing the subordination provided in this Article 6 or the obligations hereunder of the Holder to the holders of Senior Indebtedness, do any one or more of the following: (a) change the manner, place or terms of payment or extend the time of payment of, or renew, alter or amend, any Senior Indebtedness or any instrument evidencing the same or any agreement under which Senior Indebtedness is outstanding or secured; (b) sell, exchange, release or otherwise deal with any property pledged, mortgaged or otherwise securing Senior Indebtedness; (c) release any person or entity liable in any manner for the collection of Senior Indebtedness; and (d) exercise or refrain from exercising any rights against the Company and any other person or entity.

6.8 Acceleration of Note. If payment of this Note is accelerated because of an Event of Default, the Company shall promptly notify holders of the Senior Indebtedness of the acceleration.

ARTICLE 7. PREPAYMENT.

Except as provided in Article 3, this Note may not be prepaid prior to its stated final maturity date, except with the express written consent of the Holder.

ARTICLE 8. WAIVER AND AMENDMENT.

No provision of this Note may be amended, waived or modified, except upon the written consent of the Company and the Holder.

ARTICLE 9. TRANSFER OF THIS NOTE.

9.1 The Holder shall not transfer or assign this Note without the prior written consent of the Company, which consent may be granted or withheld, conditioned or delayed, as the Company may determine in its sole discretion; provided, however, that CII may transfer or assign this Note, in whole but not in part, without the prior written consent of the Company to any Related Party; provided, however, that the foregoing is not intended to, nor shall it, limit any rights of any person pursuant to the Exchange Agreement dated as of November 12, 1999 by and among CCI, CII, Vulcan Cable III, Inc., and Mr. Allen.

9.2 So long as CII/Successor holds the Note, neither Mr. Allen nor any person in Control of CII/Successor shall transfer Control of CII/Successor without the prior written consent of the Company, which consent may be granted or withheld, conditioned or delayed, as the Company may determine in its sole discretion; provided, however, that Mr. Allen and any person in Control of CII/Successor may transfer Control of CII/Successor without the prior written consent of the Company to any Related Party.

For purposes of this Article 9, the following defined terms shall have the following meanings:

(a) "CII/Successor" means CII and any entity that succeeds to all or any portion of CII's interest in the Note.

(b) "Control," as used with respect to any entity, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through the ownership of voting securities or by contract or otherwise.

9.3 With respect to any direct or indirect transfer or assignment of this Note that is permitted under Section 9.1 or Section 9.2, the Holder will give written notice to the Company prior thereto, describing briefly the manner thereof, together, if required by the Company, with a written opinion of such Holder's counsel, to the effect that such offer, sale or other distribution may be effected without registration or qualification (under any federal or state law then in effect). Promptly upon receiving such written notice and reasonably satisfactory opinion, if so requested, the Company, as promptly as practicable, shall notify such Holder that such Holder may sell or otherwise dispose of this Note, all in accordance with the terms of the notice delivered to the Company. If a determination has been made pursuant to this Article 9 that the opinion of counsel for the Holder is not reasonably satisfactory to the Company, the Company shall so notify the Holder promptly after such determination has been made. The Note thus transferred shall

bear a legend as to the applicable restrictions on transferability in order to ensure compliance with the Act, unless in the opinion of counsel for the Company such legend is not required. The Company may issue stop transfer instructions to its transfer agent in connection with such restrictions.

ARTICLE 10. TREATMENT OF NOTE.

The Company and the Holder will treat, account and report this Note as debt and not equity (i) to the extent permitted by generally accepted accounting principles, for financial accounting purposes and (ii) with respect to any returns filed with federal, state or local tax authorities.

ARTICLE 11. NOTICES.

Any notice, request or other communication required or permitted hereunder shall be in writing and shall be deemed to have been duly given if personally delivered or if telegraphed or mailed by registered or certified mail, postage prepaid, at the respective addresses of the parties as set forth herein. Any party hereto may by notice so given change its address for future notice hereunder. Notice shall conclusively be deemed to have been given when personally delivered or when deposited in the mail or telegraphed in the manner set forth above and shall be deemed to have been received when delivered. Notices should be provided in accordance with this Section at the following addresses:

If to CII, to:

Charter Investment, Inc.
505 Fifth Avenue S, Suite 900
Seattle, WA 98104
Attention: General Counsel

with a copy (which shall not constitute notice) to:

Mr. Allen D. Israel
Foster Pepper & Shefelman PLLC
1111 Third Avenue, 34th Floor
Seattle, WA 98101

and with a copy (which shall not constitute notice) to:

Mr. Nicholas P. Saggese
Skadden, Arps, Slate, Meagher & Flom LLP
300 South Grand Avenue, 34th Floor
Los Angeles, California 90071

If to CCHC, LLC, to:

CCHC, LLC
c/o Charter Communications, Inc.
12405 Powerscourt Drive
St. Louis, Missouri 63131-3674
Attention: General Counsel
Facsimile: (314) 965-8793

with a copy (which shall not constitute notice) to:

Mr. Dennis Friedman
Gibson, Dunn & Crutcher LLP
200 Park Avenue
New York, New York 10166
Facsimile: (212) 351-6201

ARTICLE 12. GOVERNING LAW.

This Note shall be governed by and construed in accordance with the laws of the State of Delaware, excluding that body of law relating to conflict of laws.

ARTICLE 13. HEADING; REFERENCES.

All headings used herein are used for convenience only and shall not be used to construe or interpret this Note. Except where otherwise indicated, all references herein to Articles refer to Articles hereof.

Exhibit 10.20

THIRD AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT

FOR

CC VIII, LLC,
A DELAWARE LIMITED LIABILITY COMPANY

DATED AS OF OCTOBER 31, 2005

THE MEMBERSHIP INTERESTS REPRESENTED BY THIS AGREEMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, OR REGISTERED OR QUALIFIED UNDER ANY STATE SECURITIES LAWS. SUCH MEMBERSHIP INTERESTS MAY NOT BE OFFERED FOR SALE, SOLD, DELIVERED AFTER SALE, TRANSFERRED, PLEDGED, OR HYPOTHECATED UNLESS QUALIFIED AND REGISTERED UNDER APPLICABLE STATE AND FEDERAL SECURITIES LAWS OR UNLESS, IN THE OPINION OF COUNSEL SATISFACTORY TO THE COMPANY, SUCH QUALIFICATION AND REGISTRATION IS NOT REQUIRED. ANY TRANSFER OF THE MEMBERSHIP INTERESTS REPRESENTED BY THIS AGREEMENT IS FURTHER SUBJECT TO OTHER RESTRICTIONS, TERMS, AND CONDITIONS WHICH ARE SET FORTH HEREIN.

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(continued)

THIRD AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT
FOR
CC VIII, LLC,
A DELAWARE LIMITED LIABILITY COMPANY

This Third Amended and Restated Limited Liability Company Agreement for CC VIII, LLC, a Delaware limited liability company ("Company"), is made and entered into effective as of October 31, 2005, by and among CCV Holdings, LLC, a Delaware limited liability company ("CCV"), CCHC, LLC, a Delaware limited liability company ("CCHC"), Charter Investment, Inc. ("CII"), and the other Persons signatories hereto.

A. The Company was organized as a limited liability company pursuant to a Certificate of Formation of the Company filed with the Delaware Secretary of State on August 6, 1999 and the Limited Liability Company Agreement of the Company entered into and made effective as of February 14, 2000 (such Agreement, the "Initial Agreement").

B. The Initial Agreement was amended and restated by the Amended and Restated Limited Liability Company Agreement of the Company entered into and made effective as of January 1, 2002, which in turn was amended and restated by the Amended and Restated Limited Liability Company Agreement of the Company entered into and made effective as of March 31, 2003 (the "Existing LLC Agreement").

C. On January 2, 2001, July 10, 2001, August 31, 2001, and January 14, 2002, CCV made additional contributions of cash and assets to the capital of the Company but did not at that time receive additional Class B Units (as hereinafter defined) in exchange for such contributions.

D. On June 6, 2003, CII acquired by purchase all the Class A Preferred Units (as hereinafter defined) of the Company.

E. As of the date hereof, pursuant to the Settlement Agreement (as hereinafter defined), CII has transferred 1,788,997 Class A Preferred Units to CCHC and CII has transferred 15,202,763 Class A Preferred Units to Charter Communications Holding Company, LLC ("Charter HoldCo"), which has transferred such Class A Preferred Units to CCHC (together, such transferred Class A Preferred Units, the "Transferred Units").

F. Pursuant to the Settlement Agreement, the Company is required to issue additional Class B Units to CCV in consideration for the contributions made by CCV to the capital of the Company as described in Recital C.

G. The parties hereto desire to enter into this Third Amended and Restated Limited Liability Company Agreement to provide for, *inter alia*, the admission of CCHC as a member of the Company, the issuance of additional Class B Units to CCV, and the amendment and restatement of the respective rights, obligations, and interests of the parties hereto to each other and to the Company.

NOW, THEREFORE, the Existing LLC Agreement is hereby amended and restated in its entirety as follows:

ARTICLE I

DEFINITIONS

When used in this Agreement, unless the context otherwise requires, the following terms shall have the meanings set forth below:

1.1 "Act" means the Delaware Limited Liability Company Act, 6 Del. C. § 18-101 et seq., as the same may be amended from time to time.

1.2 "Adjusted Capital Account Deficit" means, with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the relevant Fiscal Year, after giving effect to the following adjustments:

1.2.1 Credit to such Capital Account any amounts that such Member is obligated to restore pursuant to any provision of this Agreement or is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5);

1.2.2 Credit to such Capital Account the amount of the deductions and losses referable to any outstanding recourse liabilities of the Company owed to or guaranteed by such Member (or a related person within the meaning of Regulations Section 1.752-4(b)) to the extent that no other Member bears any economic risk of loss and the amount of the deductions and losses referable to such Member's share (determined in accordance with the Member's Percentage Interest) of outstanding recourse liabilities owed by the Company to non-Members to the extent that no Member bears any economic risk of loss; and

1.2.3 Debit to such Capital Account the items described in Regulations Sections 1.704-1(b)(2)(ii)(*d*)(*4*), 1.704-1(b)(2)(ii)(*d*)(*5*), and 1.704-1(b)(2)(ii)(*d*)(*6*).

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Regulations Section 1.704-1(b)(2)(ii)(*d*) and shall be interpreted consistently therewith.

1.3 "Adjusted Priority Capital" means, with respect to any Class A Member as of any date, the amount, if any, of such Member's Initial Priority Capital, reduced by the aggregate amount distributed to such Member by the Company pursuant to Section 9.5(b) hereof. In the event any Class A Member transfers all or any portion of such Member's Class A Preferred Units in accordance with the terms of this Agreement, such Member's transferee shall succeed to the Adjusted Priority Capital of the transferor to the extent it relates to the transferred portion of such Member's Class A Preferred Units.

1.4 "Affiliate" of any Person shall mean any other Person that, directly or indirectly, Controls, is under common Control with or is Controlled by that Person.

1.5 "Agreement" means this Amended and Restated Limited Liability Company Agreement, as originally executed and as amended or restated from time to time.

1.6 "Allen Members" has the meaning set forth in Section 7.3.1 hereof.

1.7 "Appraiser" means a nationally-recognized investment bank or other appraiser experienced in the cable television industry.

1.8 "Approval of the Members" means the affirmative vote, approval or consent of the Member(s) holding more than 50 percent of the Class B Units.

1.9 "Available Cash" means all cash and cash equivalents of the Company on hand from time to time (including without limitation bank and deposit accounts and short-term cash investments), excluding any portion thereof, as determined by the Manager in its sole discretion, necessary or advisable to pay expenses or liabilities or establish reserves, for purposes of operating, developing, maintaining, or otherwise providing for the Company and its business and affairs.

1.10 "Basis" means the adjusted basis of an asset for federal income tax purposes.

1.11 "Cable Transmission Business" has the meaning set forth in Section 2.5 hereof.

1.12 "Call Notice" has the meaning set forth in Section 7.5.3 hereof.

1.13 "Capital Account" means with respect to any Member the capital account that the Company establishes and maintains for such Member pursuant to Section 3.2 hereof.

1.14 "Capital Contribution" means, with respect to any Member, the amount of money and the Gross Asset Value of any property (other than money) contributed to the Company with respect to the interest in the Company held by such Person. The principal amount of a promissory note which is not readily traded on an established securities market and which is contributed to the Company by the maker of the note (or a Person related to the maker of the note within the meaning of Regulations Section 1.704-1(b)(2)(ii)(*c*)) shall not be included in the Capital Account of any Person until the Company makes a taxable disposition of the note or until (and to the extent) principal payments are made on the note, all in accordance with Regulations Section 1.704-1(b)(2)(iv)(*d*)(*2*).

1.15 "CCI" means Charter Communications, Inc., a Delaware corporation.

1.16 "CCV" has the meaning set forth in the recitals to this Agreement.

1.17 "Certificate" means the Certificate of Formation of the Company originally filed with the Delaware Secretary of State, as amended and/or restated from time to time.

1.18 "Change of Control" means, with respect to any Person, a reorganization, merger, consolidation or other transaction or transactions, , other than with Mr. Allen or one or more of his Affiliates and other than in connection with any transactions with CCI or one or more of its subsidiaries, (whether or not CCI is a party thereto and specifically including, without limitation, open market purchases of securities), as a result of which any person or entity or "group" of persons or entities (other than Mr. Allen, any of his Affiliates or CCI or any Charter Affiliate) becomes the "beneficial owner" (as those terms are defined in and construed by judicial authority under Rule 13d-3 promulgated under the Securities Exchange Act of 1934, as amended, as that Rule may be amended from time to time) of common stock or options, warrants or other rights to acquire common stock or any convertible securities representing in the aggregate at least 50 percent of the ordinary voting power of such Person in the election of directors or managing members.

1.19 "Change of Control Event" has the meaning set forth in Section 7.5.1 hereof.

1.20 "Charter Affiliate" means any Person Controlled by CCI or Charter HoldCo.

1.21 "Charter Members" means CCHC and CCV and any of their successors.

1.22 "CCHC" has the meaning set forth in the recitals to this Agreement.

1.23 "Charter Permitted Transferee" means any transferee of all or any portion of the Membership Interest of any Charter Member.

1.24 "CII" has the meaning set forth in the recitals to this Agreement.

1.25 "CII Class A Preferred Units" means the Class A Preferred Units owned by CII immediately following the consummation of the transfers by CII contemplated under the Settlement Agreement.

1.26 "CII Permitted Transferee" has the meaning set forth in Section 7.1.2 hereof.

1.27 "CII/Successor" means CII and any Person that succeeds to all or any portion of CII's interest in the CII Class A Preferred Units.

1.28 "Class A Member" means any Member holding and to the extent it holds Class A Preferred Units.

1.29 "Class A Preferred Units" means any Unit denominated "Class A Preferred."

1.30 "Class B Member" means any Member holding and to the extent it holds Class B Units.

1.31 "Class B Units" means any Unit denominated "Class B."

1.32 "COC Notice" has the meaning set forth in Section 7.5.1 hereof.

1.33 "Code" means the Internal Revenue Code of 1986, as amended from time to time, the provisions of succeeding law, and to the extent applicable, the Regulations.

1.34 "Company" has the meaning set forth in the recitals to this Agreement.

1.35 "Company Minimum Gain" has the meaning ascribed to the term "Partnership Minimum Gain" in Regulations Section 1.704-2(d).

1.36 "Control" including, with its correlative meanings, the terms "controlled by" and "under common control with", as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

1.37 "Depreciation" means, for each Fiscal Year, an amount equal to the federal income tax depreciation, amortization, or other cost recovery deduction allowable with respect to an asset for such Fiscal Year, except that if the Gross Asset Value of an asset differs from its Basis at the beginning of such Fiscal Year, Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such Fiscal Year bears to such beginning Basis; provided, however, that if the Basis of an asset at the beginning of such Fiscal Year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Manager.

1.38 "Drag-Along Notice" has the meaning set forth in Section 7.4.2 hereof.

1.39 "Drag Contract" has the meaning set forth in Section 7.4.2 hereof.

1.40 "Drag-Offered Interest" has the meaning set forth in Section 7.4.1 hereof.

1.41 "Dragged Interest" has the meaning set forth in Section 7.4.1 hereof.

1.42 "Fiscal Year" means the Company's fiscal year, which shall be the calendar year, or any portion of such period for which the Company is required to allocate Net Profits, Net Losses, or other items of Company income, gain, loss, or deduction pursuant hereto.

1.43 "Gross Asset Value" means, with respect to any asset, the asset's Basis, except as follows:

1.43.1 The initial Gross Asset Value of the Property of the Company on the date hereof is the Gross Asset Value of such Property shown on the books and records of the Company as of the date hereof.

1.43.2 The initial Gross Asset Value of any asset contributed by a Member to the Company after the date hereof shall be the gross fair market value of such asset, as determined by the contributing Person and the Manager;

1.43.3 The Gross Asset Values of all Company assets shall be adjusted to equal their respective gross fair market values (taking into account Code Section 7701(g)), as determined by the Manager, as of the following times: (a) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a *de minimis* Capital Contribution after the date hereof; (b) the distribution by the Company to a Member of more than a *de minimis* amount of Property as consideration for an interest in the Company after the date hereof; (c) the grant of an interest in the Company (other than a *de minimis* interest) as consideration for the provision of services to or for the benefit of the Company; and (d) the liquidation of the Company within the meaning of Regulations Section 1.704-1(b)(2)(ii)(*g*); provided, however, that adjustments pursuant to clauses (a) and (b) above shall be made only if the Manager reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company.

1.43.4 The Gross Asset Value of any Company asset distributed to any Member shall be adjusted to equal the gross fair market value of such asset on the date of distribution as determined by the distributee and the Manager; and

1.43.5 The Gross Asset Values of Company assets shall be increased (or decreased) to reflect any adjustments to the Basis of such assets pursuant to Code Section 734(b) or Code Section 743(b) after the date hereof, but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulation Section 1.704-1(b)(2)(iv)(*m*) and Section 1.56.6 hereof, provided, however, that Gross Asset Values shall not be adjusted pursuant to this Section 1.43.5 to the extent the Manager determines that an adjustment pursuant to Section 1.43.3 hereof is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this Section 1.43.5.

If the Gross Asset Value of an asset has been determined or adjusted pursuant to Section 1.43.1, Section 1.43.2, Section 1.43.3, or Section 1.43.5 hereof, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Net Profits and Net Losses

1.44 "Implied CC VIII Value" means (i) the value of the business conducted by CC VIII (directly or indirectly through Subsidiaries) as of the Valuation Date (as determined by the process described in Section 7.5.4), plus (ii) to the extent not included

in the amount described in clause (i), the aggregate value of all current assets of CC VIII, calculated as of the Valuation Date (as determined by the process described in Section 7.5.4).

1.45 "Initial Agreement" has the meaning set forth in the recitals to this Agreement.

1.46 "Initial Capital Account" means, with respect to any Member, the capital account of such Member as of the Tax Effective Date, as calculated pursuant to Section 3.2.

1.47 "Initial Members" means CCV, CCHC, and CII.

1.48 "Initial Priority Capital" means, with respect to each Class A Member, the amount, if any, set forth opposite such Member's name on Schedule A.

1.49 "Manager" means one or more managers who are designated from time to time as provided in Section 5.1 hereof.

1.50 "Member" means each Person who (a) is an Initial Member, has been admitted to the Company as a Member in accordance with this Agreement, or is an assignee who has become a Member in accordance with Article VII, and (b) has not retired, resigned, withdrawn, been expelled or removed, or, if other than an individual, dissolved.

1.51 "Member Nonrecourse Debt" has the meaning ascribed to the term "Partner Nonrecourse Debt" in Regulations Section 1.704-2(b)(4).

1.52 "Member Nonrecourse Debt Minimum Gain" means an amount, with respect to each Member Nonrecourse Debt, equal to the Company Minimum Gain that would result if such Member Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Regulations Section 1.704-2(i)(3).

1.53 "Member Nonrecourse Deductions" means items of Company loss, deduction, or Code Section 705(a)(2)(B) expenditures that are attributable to Member Nonrecourse Debt or to other liabilities of the Company owed to or guaranteed by a Member (or a related person within the meaning of Regulations Section 1.752-4(b)) to the extent that no other Member bears the economic risk of loss.

1.54 "Membership Interest" means a Member's entire interest in the Company including the Member's right to share in income, gains, losses, deductions, credits, or similar items of, and to receive distributions from, the Company pursuant to this Agreement and the Act, the right to vote or participate in the management of the Company to the extent herein provided or as specifically required by the Act, and the right to receive information concerning the business and affairs of the Company.

1.55 "Mr. Allen" means Paul G. Allen.

1.56 "Net Profits" and "Net Losses" mean, for each Fiscal Year, an amount equal to the Company's taxable income or loss for such Fiscal Year, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

1.56.1 Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Net Profits or Net Losses pursuant to this definition shall be added to such taxable income or loss;

1.56.2 Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(*i*), and not otherwise taken into account in computing Net Profits or Net Losses pursuant to this definition shall be subtracted from such taxable income or loss;

1.56.3 In the event the Gross Asset Value of any Company asset is adjusted as a result of the application of Regulations Section 1.704-1(b)(2)(iv)(*e*) or Regulations Section 1.704-1(b)(2)(iv)(*f*), the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Net Profits or Net Losses;

1.56.4 Gain or loss resulting from any disposition of Property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the Property disposed of, notwithstanding that the Basis of such Property differs from its Gross Asset Value;

1.56.5 In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation in accordance with Section 1.37 hereof;

1.56.6 To the extent an adjustment to the Basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required pursuant to Regulations Section 1.704-1(b)(2)(iv)(*m*)(*4*) to be taken into account in determining Capital Accounts, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the Basis of the asset) or loss (if the adjustment decreases the Basis of the asset) from the disposition of the asset and shall be taken into account for purposes of computing Net Profits or Net Losses; and

1.56.7 Notwithstanding any other provision of this definition, any items that are specially allocated pursuant to Section 6.3 or Section 6.4hereof shall not be taken into account in computing Net Profits or Net Losses (the amounts of the items of Company income, gain, loss, or deduction available to be specially allocated pursuant to any provision of this Agreement shall be determined by applying rules analogous to those set forth in Sections 1.56.1 through 1.56.6 above).

The foregoing definition of Net Profits and Net Losses is intended to comply with the provisions of Regulations Section 1.704-1(b) and shall be interpreted consistently

therewith. In the event the Manager determines that it is prudent to modify the manner in which Net Profits and Net Losses are computed in order to comply with such Regulations, the Manager may make such modification.

1.57 "Nonrecourse Deductions" has the meaning set forth in Regulations Section 1.704-2(b)(1).

1.58 "Nonrecourse Liability" has the meaning set forth in Regulations Section 1.704-2(b)(3).

1.59 "Participating Allen Member" has the meaning set forth in Section 7.3.3 hereof.

1.60 "Percentage Interest" means, with respect to each Member, the percentage equal to the number of Units held by such Member divided by the total number of Units held by all Members.

1.61 "Person" means any individual, general partnership, limited partnership, limited liability company, limited liability partnership, corporation, trust, estate, real estate investment trust, association, or other entity.

1.62 "Pre-Closing Sharing Period" means the period beginning June 7, 2003 and ending on December 31, 2004.

1.63 "Priority Rate" means, with respect to any period for which Priority Return is being determined, 2 percent per annum.

1.64 "Priority Return" means, with respect to each Class A Member, an amount determined by applying the Priority Rate to the average daily balance of such Member's Adjusted Priority Capital from time to time during the period to which the Priority Return relates, determined on the basis of a year of 365 or 366 days, as the case may be, for the actual number of days in the period for which the Priority Return is being determined. Priority Return shall commence as of February 14, 2000 and shall be cumulative but not compounded. In the event any Class A Member transfers all or any portion of such Member's Class A Preferred Units in accordance with the terms of this Agreement, such Member's transferee shall succeed to the Priority Return of the transferor Class A Member to the extent it relates to the transferred portion of such Class A Member's Class A Preferred Units.

1.65 "Property" means all real and personal property, including in each case tangible and intangible property, that has been acquired by or contributed to the Company and its Subsidiaries and any improvements thereto.

1.66 "Put/Call Price" has the meaning set forth in Section 7.5.4 hereof.

1.67 "Put Notice" has the meaning set forth in Section 7.5.2(a) hereof.

1.68 "Regulations" means the regulations currently in force and in force from time to time as final or temporary that have been issued by the U.S. Department of the Treasury pursuant to its authority under the Code. If a word or phrase is defined in this Agreement by cross-referencing the Regulations, then to the extent the context of this Agreement and the Regulations require, the term "Member" shall be substituted in the Regulations for the term "partner", the term "Company" shall be substituted in the Regulations for the term "partnership," and other similar conforming changes shall be deemed to have been made for purposes of applying the Regulations.

1.69 "Regulatory Allocations" has the meaning set forth in Section 6.4 hereof.

1.70 "Related Party" means

(a) any individual who is (i) Mr. Allen, or the parent or sibling of Mr. Allen, or (ii) any lineal or adopted descendant of Mr. Allen or of his sibling, or (iii) any lineal or adopted descendant of any individual described in clause (ii) of this subsection 1.70(a), and (iv) any spouse of any individual described in clauses (i), (ii) and (iii) of this subsection 1.70(a), and any lineal or adopted descendant of any such spouse,

(b) the estate of any individual described in subsection 1.70(a),

(c) a trust in which (i) one or more individuals described in subsection 1.70(a) have a majority of the beneficial interests (determined actuarially), and (ii) of which the majority of the trustees are individuals described in subsection 1.70(a),

(d) a split interest trust (*i.e.*, a charitable remainder trust or charitable lead trust) (i) of which the sole beneficiaries are Mr. Allen and/or individuals described in subsection 1.70(a) and a charitable institution qualified under Section 501(c)(3) of the U.S. Internal Revenue Code of 1986, as amended, and (ii) of which the sole trustees are one or more individuals described in subsection 1.70(a),

(e) any general partnership, limited partnership, limited liability company, limited liability partnership, corporation, real estate investment trust, or association at least 80 percent of the equity interests in which are, at the time of a transfer to such entity, owned, directly or indirectly (through any entity described in subsections 1.70(b), 1.70(c), 1.70(d) or this subsection 1.70(e)), by any individual described in subsection 1.70(a), or

(f) any general partnership, limited partnership, limited liability company, limited liability partnership, corporation, real estate investment trust, or association (i) at least 50 percent of the equity interests in which are, at the time of a transfer to such entity, owned by Mr. Allen and (ii) the management and policies of which are directed by Mr. Allen, directly or indirectly, whether through the ownership of voting securities or by contract or otherwise.

1.71 "Settlement Agreement" means the Settlement Agreement and Mutual Releases, dated as of even date herewith, by and among CCI, Charter HoldCo, Charter

Communications Holdings, LLC, CCV, CCHC, CII, Vulcan Cable III, Inc., Mr. Allen, and the Company.

1.72 "Subsidiary" means, with respect to any Person, any corporation, limited liability company, partnership, association, joint venture or other business entity of which (a) if a corporation, (i) 10 percent or more of the total voting power of shares of stock entitled to vote in the election of directors thereof or (ii) 10 percent or more of the value of the equity interests is at the time owned or controlled, directly or indirectly, by the Person or one or more of its Subsidiaries, or (b) if a limited liability company, partnership, association or other business entity, 10 percent or more of the partnership or other similar ownership interests thereof is at the time owned or controlled, directly or indirectly, by the Person or one or more of its subsidiaries. The Person shall be deemed to have a 10 percent or greater ownership interest in a limited liability company, partnership, association or other business entity if the Person is allocated 10 percent or more of the limited liability company, partnership, association or other business entity gains or losses or shall be or control the Person managing such limited liability company, partnership, association or other business entity.

1.73 "Tag Acceptance Notice" has the meaning set forth in Section 7.3.3 hereof.

1.74 "Tag-Along Interest" has the meaning set forth in Section 7.3.3 hereof.

1.75 "Tag-Along Notice" has the meaning set forth in Section 7.3.1 hereof.

1.76 "Tag Contract" has the meaning set forth in Section 7.3.1 hereof.

1.77 "Tag-Offered Interest" has the meaning set forth in Section 7.3.1 hereof.

1.78 "Target Capital Account" has the meaning set forth in Section 6.4 hereof.

1.79 "Tax Effective Date" means January 1, 2005.

1.80 "Traditional Method" means the "traditional method" of making Code Section 704(c) allocations described in Regulations Section 1.704-3(b).

1.81 "Transaction Documents" has the meaning set forth in Section 10.1 hereof.

1.82 "Transfer" means any direct or indirect sale, transfer, assignment, hypothecation, encumbrance or other disposition, whether voluntary or involuntary, by operation of law or otherwise, whether by gift, bequest or otherwise. In the case of hypothecation, the Transfer shall be deemed to occur both at the time of the initial pledge and at the time of any pledgee's sale or a sale by any secured creditor.

1.83 "Transferred Units" has the meaning set forth in the recitals to this Agreement.

1.84 "Units" means the units of Membership Interests issued by the Company to its Members, which entitle the Members to certain rights as set forth in this Agreement.

1.85 "Valuation Date" means the last day of the calendar month immediately preceding the date of the binding agreement for the applicable Change of Control Event or, if there is no such agreement, the last day of the calendar month immediately preceding the Change of Control Event.

ARTICLE II

ORGANIZATIONAL MATTERS

2.1 Formation. Pursuant to the Act, the Company was formed as a Delaware limited liability company under the laws of the State of Delaware. The rights and liabilities of the Members shall be determined pursuant to the Act and this Agreement. To the extent that the rights or obligations of any Member are different by reason of any provision of this Agreement than they would be in the absence of such provision, this Agreement shall, to the extent permitted by the Act, control.

2.2 Name. The name of the Company is "CC VIII, LLC". The business and affairs of the Company may be conducted under that name or, upon compliance with applicable laws, any other name that the Manager may deem appropriate or advisable. The Manager shall file any fictitious name certificates and similar filings, and any amendments thereto, that may be appropriate or advisable.

2.3 Term. The term of the Company commenced on the date of the filing of the Certificate with the Delaware Secretary of State and shall continue until the Company is dissolved in accordance with the provisions of this Agreement.

2.4 Principal Office; Registered Agent. The principal office of the Company shall be as determined by the Manager. The Company shall continuously maintain a registered agent and office in the State of Delaware as required by the Act. The registered agent and office shall be as stated in the Certificate or as otherwise determined by the Manager.

2.5 Purpose of Company. The Company may carry on any lawful business, purpose, or activity that may be carried on by a limited liability company under applicable law; provided, however, that, until all outstanding shares of class B common stock of CCI have been converted into shares of class A common stock of CCI in accordance with Clause (b)(viii) of Article Fourth of CCI's certificate of incorporation as constituted as of November 12, 1999, without Approval of the Members, the Company shall not engage directly or indirectly, including without limitation through any Subsidiary, in any business other than the Cable Transmission Business and as member of, and subscriber to, the portal joint venture with Broadband Partners. "Cable Transmission Business" means the transmission of video, audio (including telephony) and data over cable television systems owned, operated or managed by the Company or

its Subsidiaries; provided, that the business of RCN Corporation and its Subsidiaries shall not be deemed to be a Cable Transmission Business.

ARTICLE III

CAPITAL CONTRIBUTIONS AND UNITS

3.1 Capital Contributions. No Member shall be required to make any Capital Contributions after the date hereof. Subject to the approval of the Manager, a Member may be permitted from time to time to make additional Capital Contributions if the Manager determines that such additional Capital Contributions are necessary or appropriate for the conduct of the Company's business and affairs, including without limitation expansion or diversification. The Manager shall approve all aspects of any such additional Capital Contribution, such as the amount and nature of the Capital Contribution, the terms and other aspects of such Capital Contribution, the economic and other rights of the additional Membership Interests issued to the contributing Member (including without limitation any priority with respect to distributions of cash or other property from the Company) and the resulting dilution to be incurred by the other Members. Each Member acknowledges that (a) the contribution by a Member of additional capital, and the terms of additional Membership Interests issued therefor (including without limitation rights to distributions from the Company that are superior to other Members' rights) shall be determined solely by the Manager without the consent or approval of any Member other than the contributing Member, except as may be required pursuant to Section 10.2.2 hereof, and (b) the issuance of additional Membership Interests to a contributing Member may dilute the Percentage Interests and other rights of the other Members, and that such Member shall have no right to vote on such issuance of additional Membership Interests except as provided in Section 10.2.2 hereof.

3.2 Initial Capital Accounts. The capital account of each Member as of the Tax Effective Date (the "Initial Capital Account" of such Member) shall equal (a) the total Capital Contributions of such Member or such Member's predecessor prior to the Tax Effective Date (reduced by the amount of any liabilities of such Member or such Member's predecessor assumed by the Company prior to the Tax Effective Date or which were secured by such Capital Contributions), as set forth on Schedule B, plus (b) the aggregate Net Profits and any items in the nature of income or gain, if any, allocated to such Member or such Member's predecessor with respect to all Fiscal Years or portions thereof ending prior to the Tax Effective Date (as may be adjusted after the date hereof upon audit of the Company's books and records), minus (c) the aggregate Net Losses and any items in the nature of expenses or losses allocated to such Member or such Member's predecessor with respect to all Fiscal Years or portions thereof ending prior to the Tax Effective Date (as may be adjusted after the date hereof upon audit of the Company's books and records), minus (d) the amount of cash and the fair market value of any Property, if any, distributed to such Member or such Member's predecessor prior to the Tax Effective Date (reduced by the amount of any Company liabilities assumed by such Member or such Member's predecessor prior to the Tax Effective Date or which are secured by any Property distributed to such Member or such Member's predecessor prior to the Tax Effective Date). The Initial Capital Accounts shall also include any other

adjustments required under Section 3.3 of the Existing LLC Agreement prior to the Tax Effective Date.

3.3 Capital Accounts. The Company shall determine and maintain a Capital Account for each Member in accordance with Regulations Section 1.704-1(b)(2)(iv) and, in pursuance thereof, the following provisions shall apply:

3.3.1 To each Member's Initial Capital Account there shall be credited (a) Capital Contributions by such Member on or after the Tax Effective Date, (b) Net Profits and any items in the nature of income or gain that are allocated to such Member with respect to all Fiscal Years beginning on or after the Tax Effective Date, and (c) the amount of any Company liabilities assumed by such Member on or after the Tax Effective Date or which are secured by any Property distributed to such Member on or after the Tax Effective Date;

3.3.2 To each Member's Capital Account there shall be debited (a) the amount of cash and the fair market value of any Property distributed to such Member pursuant to any provision of this Agreement on or after the Tax Effective Date, (b) Net Losses and any items in the nature of expenses or losses that are allocated to such Member with respect to all Fiscal Years beginning on or after the Tax Effective Date, and (c) the amount of any liabilities of such Member assumed by the Company on or after the Tax Effective Date or which are secured by any property contributed by such Member to the Company on or after the Tax Effective Date;

3.3.3 In connection with the conveyance of the Transferred Units, CCHC shall succeed to the percentage of the Capital Account of CII determined as of the date hereof (in the manner described in Section 6.6.2) equal to the percentage determined by dividing the number of Transferred Units by the total number of Units held by CII immediately prior to entering into the Settlement Agreement;

3.3.4 In the event all or a portion of a Membership Interest in the Company is transferred in accordance with the terms of this Agreement after the date hereof, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred Membership Interest; and

3.3.5 In determining the amount of any liability for purposes of Sections 3.3.1 and 3.3.2 hereof, there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and Regulations.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Section 1.704-1(b), and shall be interpreted and applied in a manner consistent with such Regulations. In the event the Manager determines that it is prudent to modify the manner in which the Capital Accounts, or any debits or credits thereto, are computed in order to comply with such Regulations, the Manager may make such modification.

3.4 No Interest. No Member shall be entitled to receive any interest on such Member's Capital Contributions.

3.5 No Withdrawal. No Member shall have the right to withdraw such Member's Capital Contributions or to demand and receive Property of the Company or any distribution in return for such Member's Capital Contributions, except as may be specifically provided in this Agreement or required by law.

3.6 Units.

3.6.1 Units shall consist of (i) Class A Preferred Units, (ii) Class B Units, and any other classes of Units issued upon the approval of the Manager. Subject to the terms of this Agreement, the Company may issue up to one billion (1,000,000,000) units of each class of Units.

3.6.2 As of the date hereof, the Company has issued 49,365,952 additional Class B Units to CCV, and the ownership of the Class A Preferred Units and Class B Units is as set forth on Schedule A.

ARTICLE IV

MEMBERS

4.1 Limited Liability. Except as required under the Act or as expressly set forth in this Agreement, no Member shall be personally liable for any debt, obligation, or liability of the Company, whether that debt, obligation, or liability arises in contract, tort or otherwise.

4.2 Admission of Additional Members. Without the need for any additional act or consent of any Person, the Initial Members shall continue to be Members of the Company. Except as set forth in Article VII, no Person shall be admitted as an additional Member unless the terms of such admission have been approved by the Manager. Such terms of admission shall include without limitation the amount and nature of any Capital Contribution by such Person, the terms and other aspects of such Capital Contribution, the economic and other rights of the additional Membership Interests issued to the additional Member (including without limitation any priority with respect to distributions of cash or other property from the Company), and the resulting dilution of interest to be incurred by the other Members. Each Member acknowledges that (a) the contribution of capital by a Person and the admission of such Person as an additional Member, and the terms of additional Membership Interests issued to such Person (including without limitation rights to distributions from the Company that are superior to other Members' rights) shall be determined solely by the Manager without the consent or approval of any Member, except as may be required pursuant to Section 10.2.2 hereof, and (b) the admission of such Person as an additional Member and issuance of additional Membership Interests to such Person may dilute the Percentage Interests and other rights of the other Members, and such Member shall have no right to vote on the admission of such Person or the issuance of additional Membership Interests to such Person except as provided in Section 10.2.2 hereof.

4.3 Meetings of Members.

4.3.1 No annual or regular meetings of the Members as such shall be required; if convened, however, meetings of the Members may be held at such date, time, and place as the Manager may fix from time to time. At any meeting of the Members, the Manager or a person appointed by the Manager shall preside at the meeting and shall appoint another person to act as secretary of the meeting. The secretary of the meeting shall prepare written minutes of the meeting, which shall be maintained in the books and records of the Company.

4.3.2 A meeting of the Members may be called at any time by the Manager, or by any Member or Members holding more than 20 percent of all Units, for the purpose of addressing any matter on which the Approval of the Members is required or permitted under this Agreement.

4.3.3 Notice of any meeting of the Members shall be sent or otherwise given by the Manager to the Members in accordance with this Agreement not less than 10 nor more than 60 days before the date of the meeting. The notice shall specify the place, date, and hour of the meeting and the general nature of the business to be transacted. Except as the Members may otherwise agree, no business other than that described in the notice may be transacted at the meeting.

4.3.4 Attendance in person of a Member at a meeting shall constitute a waiver of notice of that meeting, except when the Member objects, at the beginning of the meeting, to the transaction of any business because the meeting is not duly called or convened, and except that attendance at a meeting is not a waiver of any right to object to the consideration of matters not included in the notice of the meeting if that objection is expressly made at the meeting. Neither the business to be transacted nor the purpose of any meeting of Members need be specified in any written waiver of notice. The Members may participate in any meeting of the Members by means of conference telephone or similar means as long as all Members can hear one another. A Member so participating shall be deemed to be present in person at the meeting.

4.3.5 At all meetings of the Members, a majority of the Class B Members shall constitute a quorum for the transaction of business, and the act of a majority of the Class B Members present at any meeting at which there is a quorum shall be the action of the Members, except as may be otherwise specifically provided by statute, the Certificate or this Agreement. If a quorum is not present at any meeting of the Members, the Class B Members present thereat may adjourn the meeting from time to time until a quorum shall be present. Notice of such adjournment shall be given to any Member not present at such meeting.

4.3.6 Any action that can be taken at a meeting of the Members may be taken without a meeting if a consent in writing setting forth the action so taken is signed and delivered to the Company by Members representing not less than the minimum number of Units necessary under this Agreement to approve the action. The Manager

shall notify Members of all actions taken by such consents, and all such consents shall be maintained in the books and records of the Company.

4.4 Voting by Members. The Members, acting solely in their capacities as Members, shall have the right to vote on, consent to, or otherwise approve only those matters as to which this Agreement or the Act specifically requires such approval. A Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Except as otherwise specifically provided in this Agreement, the Approval of the Members shall be all that is required as to all matters, including merger, consolidation, and conversion, as to which the vote, consent, or approval of the Members is required or permitted under this Agreement or the Act.

4.5 Members Are Not Agents. No Member acting solely in the capacity of a Member is an agent of the Company, nor can any Member acting solely in the capacity of a Member bind the Company or execute any instrument on behalf of the Company.

4.6 No Withdrawal. Except as provided in Articles VII and IX hereof, no Member may withdraw, retire, or resign from the Company without the prior approval of the Manager.

ARTICLE V

MANAGEMENT AND CONTROL OF THE COMPANY

5.1 Management of the Company by Manager. The Members hereby unanimously confirm the election of CCI, or its successor-in-interest which acquires directly or indirectly substantially all of the assets or businesses of CCI, as the Company's Manager. Without the Approval of the Members, no Person may be elected as Manager in addition to or in substitution of CCI, other than a Charter Affiliate or a successor-in-interest to such Charter Affiliate which acquires directly or indirectly substantially all of the assets or businesses of such Charter Affiliate. Except as otherwise required by applicable law, the powers of the Company shall at all times be exercised by or under the authority of, and the business, Property and affairs of the Company shall be managed by, or under the direction of, the Manager.

5.1.1 The Manager shall have the right to appoint such officers, and to assign to them such duties and responsibilities, as it may determine from time to time. Any officer may be removed by the Manager, with or without cause, at any time.

5.1.2 Except as otherwise required by applicable law, the Manager shall be authorized to execute or endorse any check, draft, evidence of indebtedness, instrument, obligation, note, mortgage, contract, agreement, certificate or other document on behalf of the Company. The Manager may delegate its authority under this Section 5.1.2 to the officers of the Company.

5.1.3 No annual or regular meetings of the Manager are required. The Manager may, by written consent and without prior notice (provided that prompt

subsequent notice is given to the Members), take any action which it is otherwise required to take at a meeting.

5.2 Fiduciary Obligations.

5.2.1 As provided in Section 18-1101 of the Act, each Member's duty of care to each other, and the Manager's and the Company's officers' duty of care to the Company and the Members is limited to the implied contractual covenant of good faith and fair dealing. Without limiting the foregoing, in no event shall any Member, the Manager or any officer be liable for breach of a fiduciary duty for such individual's good faith reliance on the provisions of this Agreement. The Members expressly intend, and acknowledge and agree, that the provisions of this Agreement, including, without limitation, those in this Section 5.2, shall govern the rights, duties and obligations of the Members to one another and the rights, duties and obligations of the Manager and officers to the Company and the Members and, in that connection, shall supplant entirely the default fiduciary duties stated or implied by applicable law or equity, which might otherwise apply.

5.2.2 Neither the Manager, any Company officer, nor any Member, nor any of the partners or shareholders, directors, officers, agents, employees or Affiliates of the Manager, such officers or such Member, as applicable, shall be liable to the Company, the Members, or to any Persons who have acquired interests in the Units, assignees or otherwise, for errors in judgment or for any acts or omissions taken in good faith.

5.2.3 The Manager shall not be liable for the negligence, whether of omission or commission, dishonesty or bad faith of any agent or employee of the Company selected and supervised by the Manager with reasonable care. Any act or omission of the Manager, if done in reliance upon the advice of legal counsel or public accountants selected with the exercise of reasonable care by the Manager, shall be conclusively presumed not to constitute willful misconduct, recklessness or gross negligence with respect to the activities and operations of the Company.

5.2.4 Unless otherwise expressly provided herein, whenever a conflict of interest exists or arises between the Manager or a Class B Member or any of the Affiliates of either of them, on the one hand, and the Company, any Class A Member, or any Persons who have acquired interests in the Units on the other hand, then the Manager or such Class B Member shall resolve such conflict of interest, take such action or provide such terms considering, in each case, the relative interests of each party to such conflict, agreement, transaction or situation and the benefits and burdens relating to such interests, any customary or accepted industry practices, and any applicable generally accepted accounting practices or principles. In the absence of a bad faith violation of the implied contractual covenant of good faith and fair dealing by the Manager or such Class B Member, the resolution, action or terms so made, taken or provided by the Manager or such Class B Member shall not constitute a breach of this Agreement or any other agreement contemplated herein or therein.

5.2.5 Whenever in this Agreement the Manager is, or the Class B Members are, permitted or required to make a decision (a) in its or their "sole discretion" or "discretion" or under a grant of similar authority or latitude, the Manager or the Class B Members shall be entitled to consider only such interests and factors as it or they desire, including its or their own interests, and shall have no duty or obligation to give any consideration to any interest of or factors affecting the Company, the other Members or any Persons who have acquired interests in the Units, or (b) in its or their "good faith" or under another express standard, the Manager or the Class B Members shall act under such express standard and shall not be subject to any other or different standards imposed by this Agreement, or any other agreement contemplated herein. Each Member hereby agrees that any standard of care or duty imposed in this Agreement, or any other agreement contemplated herein, or under the Act or any other applicable law, rule or regulation, shall be modified, waived or limited in each case as required to permit the Manager or the Class B Members to act under this Agreement or any other agreement contemplated herein and to make any decision pursuant to the authority described in this 5.2.5 so long as (i) such action or decision does not constitute gross negligence or willful or wanton misconduct or a bad faith violation of the implied contractual covenant of good faith and fair dealing and (ii) the Manager or the Class B Members, as appropriate, believe such action or decision is consistent with the overall purposes of the Company.

5.3 Indemnification and Expenses.

5.3.1 To the extent permitted by applicable law, a Member (and its respective officers, directors, agents, employees, shareholders, members, partners, and Affiliates), Manager (and its respective officers, directors, agents, employees, shareholders, members, partners, and Affiliates), or officer of the Company shall be entitled to indemnification from the Company for any loss, damage, or claim incurred by such Person by reason of any act or omission performed or omitted by such Person in good faith on behalf of, or in connection with the business and affairs of, the Company and in a manner reasonably believed to be within the scope of authority conferred on such Person by this Agreement and, if applicable, the Approval of the Members or authorizations of the Manager; except that no Person shall be entitled to be indemnified in respect of any loss, damage, or claim incurred by such Person by reason of such Person’s fraud, deceit, reckless or intentional misconduct, or gross negligence; provided, however, that any indemnity under this Section 5.3.1 shall be provided out of and to the extent of Company assets only, no debt shall be incurred by the Members in order to provide a source of funds for any indemnity, and no Member shall have any personal liability (or any liability to make any additional Capital Contributions) on account thereof.

5.3.2 To the extent permitted by applicable law, expenses (including reasonable legal fees) incurred by a Member (and its respective officers, directors, agents, employees, shareholders, members, partners or Affiliates), Manager (and its respective officers, directors, agents, employees, shareholders, members, partners or Affiliates), or officer of the Company in such Person’s capacity as such in defending any claim, demand, action, suit, or proceeding shall, from time to time, be advanced by the Company prior to the final disposition of such claim, demand, action, suit, or proceeding

upon receipt by the Company of an undertaking by or on behalf of the Member (or its respective officers, directors, agents, employees, shareholders, members, partners or Affiliates, as applicable), Manager (or its respective officers, directors, agents, employees, shareholders, members, partners or Affiliates, as applicable), or officer to repay such amount if it shall be determined that such Person is not entitled to be indemnified as authorized in Section 5.3.1 hereof.

5.4 Devotion of Time. Except as required by any individual contract and notwithstanding any provision to the contrary in this Agreement, no Manager or officer of the Company is obligated to devote all of such Person's time or business efforts to the affairs of the Company, but shall devote such time, effort, and skill as such Person deems appropriate for the operation of the Company.

5.5 Competing Activities.

5.5.1 Except as provided by any individual contract: (i) any Manager or Member (and their respective officers, directors, agents, employees, shareholders, members, partners or Affiliates) may engage or invest in, independently or with others, any business activity of any type or description, including without limitation those that might be the same as or similar to the Company's business or the business of any Subsidiary and that might be in direct or indirect competition with the Company or any Subsidiary; (ii) neither the Company nor any Subsidiary nor any Member shall have any right in or to such other ventures or activities or to the income or proceeds derived therefrom; (iii) no Manager or Member (and their respective officers, directors, agents, employees, shareholders, members, partners or Affiliates) shall be obligated to present any investment opportunity or prospective economic advantage to the Company or any Subsidiary, even if the opportunity is of the character that, if presented to the Company or any Subsidiary, could be taken by the Company or any Subsidiary; and (iv) any Manager or Member (and their respective officers, directors, agents, employees, shareholders, members, partners or Affiliates) shall have the right to hold any investment opportunity or prospective economic advantage for such Manager's or Member's (and their respective officers', directors', agents', employees', shareholders', members', partners' or Affiliates') own account or to recommend such opportunity to Persons other than the Company or any Subsidiary.

5.5.2 The Company agrees that, until all outstanding shares of class B common stock of CCI have been converted into shares of class A common stock of CCI in accordance with Clause (b)(viii) of Article Fourth of CCI's certificate of incorporation as constituted as of November 12, 1999, without the Approval of the Members, the Company shall not engage directly or indirectly, including without limitation through any Subsidiary, in any business other than the Cable Transmission Business and as a member of and subscriber to, the portal joint venture with Broadband Partners.

5.5.3 The Company and each Member acknowledge that the other Members, the Manager (and their respective officers, directors, agents, employees, shareholders, members, partners or Affiliates) and the officers of the Company (to the extent expressly permitted in their employment agreement) might own or manage other

businesses, including businesses that may compete with the Company or any Subsidiary for the time of the Member or Manager. Without limiting the generality of the foregoing, the Company and each Member acknowledge that Vulcan Ventures Inc. (an Affiliate of CCI and CCV) has entered into an agreement to purchase convertible preferred stock of RCN Corporation, which may be deemed to be engaged in the cable transmission business. The Company and each Member acknowledge that none of them shall have any interest in the securities of RCN Corporation to be acquired by Vulcan Ventures Inc. or any RCN Corporation common stock into which such securities are convertible, and that Vulcan Ventures Inc. shall not have any obligation to them on account thereof. To the extent that, at law or at equity, any Member or Manager (and their respective officers, directors, agents, employees, shareholders, members, partners or Affiliates) or officers of the Company have duties (including fiduciary duties) and liabilities relating to the Company and the other Members, such Person shall not be liable to the Company or the other Members for its good faith reliance on the provisions of this Agreement including this Section 5.5. The Company and each Member hereby waive any and all rights and claims that the Company or such Member may otherwise have against the other Members and the Manager (and their respective officers, directors, agents, employees, shareholders, members, partners or Affiliates) or officers of the Company as a result of any such permitted activities. The provisions of this Agreement, and any agreement between the Company and any Member entered into in reliance on this Section 5.5, to the extent that they restrict the duties and liabilities of a Manager or Member (and their respective officers, directors, agents, employees, shareholders, members, partners or Affiliates) or officers of the Company otherwise existing at law or in equity, are agreed by the Company and the Members to replace such other duties and liabilities of such Person.

5.6 Certain Related Transactions.

5.6.1 CII acknowledges and agrees that the Company will engage in transactions with the Charter Members and the Charter Affiliates and that so long as such transactions are not entered into in bad faith and in accordance with Section 5.2, the Charter Members and the Charter Affiliates with which the Company engages in transactions, the Manager, and the Company shall not be liable to the Company or to CII with respect to such transactions. The foregoing provision is not intended to affect any of CCV and its Affiliates' express contractual obligations to the Company, Class A Members, or any of the Class A Members' Affiliates under any contract entered into by and among such parties from time to time.

5.6.2 Without limiting any other provisions of this Agreement, CII acknowledges and agrees that the Manager has the exclusive authority to manage the business and operations of the Company and that, in its capacity as a Class A Member, CII has no right to vote on or otherwise participate in the management of the business and operations of the Company or any transactions or financings that the Company may undertake or participate in. CII further acknowledges and agrees that, except for such rights as may be granted to CII pursuant to Section 10.2.2 and pursuant to the Act, in its capacity as a Class A Member, CII has no right to vote on or object to:

(a) any financing, refinancing, restructuring, asset sale, or other transaction undertaken by CCI, Charter HoldCo, CCHC, the Company, or any other Charter Affiliates;

(b) any issuance of debt or equity by CCI, Charter HoldCo, CCHC, the Company or any other Charter Affiliate, including the issuance of equity that is senior to the Class A Preferred Units;

(c) any issuance of debt or equity by CCHC, the Company or any other Charter Affiliate in consideration for additional capital contributions, including without limitation debt or equity issued in consideration for contributions of debt previously issued by CCHC, the Company or any other Charter Affiliate;

(d) subject to Section 10.2 hereof, any amendment to this Agreement as necessary to implement any of the transactions contemplated by paragraphs (a) through (c) above;

(e) any decision concerning the dissolution of the Company;

(f) any decision concerning distributions by the Company or CCHC (other than with respect to distributions in contravention of Section 6.8 or Section 9.5); or

(g) any other undertaking or transaction by CCI, Charter HoldCo, CCHC, the Company or any other Charter Affiliate, and any decision by CCI, Charter HoldCo, CCHC, the Company or any other Charter Affiliate not to implement any undertaking or transaction.

For the avoidance of doubt, nothing in this Agreement will in any way affect Mr. Allen or his Affiliates or transferees' rights as holders of any other interests in CCI or Charter HoldCo or the rights of Mr. Allen or any transferee to exercise his other rights as a director or manager or member of CCI or Charter HoldCo.

5.7 Remuneration for Management or Other Services. The Manager and officers of the Company shall be entitled to reasonable remuneration for providing management or other services to the Company, all as determined by the Manager.

5.8 Reimbursement of Expenses. The Company shall reimburse the Manager and officers of the Company for the actual and reasonable costs, fees, and expenses paid or incurred by any Person for goods, materials, services, and activities acquired or used by or for the benefit of the Company, or performed or undertaken for the benefit of the Company, without duplication of any expense paid.

ARTICLE VI

ALLOCATIONS OF NET PROFITS AND NET LOSSES
AND
DISTRIBUTIONS

6.1 Allocations of Net Profits. After giving effect to the special allocations set forth in Sections 6.3 and 6.4 hereof, Net Profits with respect to each Fiscal Year beginning on or after the Tax Effective Date shall be allocated to the Members in the following order of priority:

6.1.1 First, Net Profits shall be allocated to each Member to the extent of and in accordance with the aggregate amount of Net Losses previously allocated to such Member pursuant to Section 6.2.2 hereof with respect to each Fiscal Year beginning on or after the Tax Effective Date, with respect to which Net Profits have not been previously allocated pursuant to this subsection.

6.1.2 Second, Net Profits shall be allocated to each Member to the extent of and in accordance with the aggregate amount of Net Losses previously allocated to each Member (a) with respect to the Pre-Closing Sharing Period and (b) pursuant to Section 6.2.1 hereof with respect to each Fiscal Year beginning on or after the Tax Effective Date, with respect to which Net Profits have not been previously allocated pursuant to this subsection.

6.1.3 Third, Net Profits shall be allocated to each Class B Member to the extent of the Net Losses previously allocated to such Class B Member with respect to all Fiscal Years or portions thereof ended prior to June 7, 2003, with respect to which Net Profits have not been previously allocated pursuant to this subsection.

6.1.4 Fourth, the balance, if any, of Net Profits shall be allocated in accordance with the Members' Percentage Interests.

6.2 Allocations of Net Losses. After giving effect to the special allocations set forth in Sections 6.3 and 6.4 hereof, Net Losses with respect to each Fiscal Year beginning on or after the Tax Effective Date shall be allocated to the Members as follows:

6.2.1 First, except as provided in Section 6.2.3, Net Losses shall be allocated to the Class B Members in an amount equal to the excess of (a) the aggregate Net Losses allocated with respect to the Class A Preferred Units during the Pre-Closing Sharing Period multiplied by a fraction, the numerator of which is the aggregate Percentage Interests of the Class B Members and the denominator of which is the aggregate Percentage Interests of the Class A Members, over (b) the aggregate Net Losses allocated with respect to the Class B Units during the Pre-Closing Sharing Period, with respect to which Net Losses have not been previously allocated pursuant to this subsection.

6.2.2 Second, except as provided in Section 6.2.3, the balance, if any, of Net Losses shall be allocated in accordance with the Members' Percentage Interests.

6.2.3 An allocation of Net Losses under Sections 6.2.1 or 6.2.2 hereof shall not be made to the extent it would create or increase an Adjusted Capital Account Deficit for a Member or Members at the end of any Fiscal Year if any other member has a positive Capital Account balance at such time. Any Net Losses not allocated because of the preceding sentence shall be allocated to the other Member or Members with positive Capital Account balances in proportion to such Member's or Members' respective Percentage Interests; provided, however, that to the extent such allocation would create or increase an Adjusted Capital Account Deficit for another Member or Members at the end of any Fiscal Year, such allocation shall instead be made to the remaining Member or Members in proportion to the respective Percentage Interests of such Member or Members.

6.3 Special Allocations.

6.3.1 Member Nonrecourse Deductions. Any Member Nonrecourse Deductions for any Fiscal Year shall be specially allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Debt or other liability to which such Member Nonrecourse Deductions are attributable in accordance with Regulations Section 1.704-2(i) and Regulations Section 1.704-1(b).

6.3.2 Nonrecourse Deductions Referable to Liabilities Owed to Non-Members. Any Nonrecourse Deductions for any Fiscal Year and any other deductions or losses for any Fiscal Year referable to a liability owed by the Company to a Person other than a Member to the extent that no Member bears the economic risk of loss shall be specially allocated to the Members in accordance with their Percentage Interests.

6.3.3 Member Minimum Gain Chargeback. Except as otherwise provided in Regulation Section 1.704-2(i)(4), notwithstanding any other provision of this Article VI, if there is a net decrease in Member Nonrecourse Debt Minimum Gain attributable to a Member Nonrecourse Debt during any Fiscal Year, each Member who has a share of the Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt (which share shall be determined in accordance with Regulations Section 1.704-2(i)(5)) shall be specially allocated items of Company income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to that portion of such Member's share of the net decrease in Member Nonrecourse Debt Minimum Gain attributable to such Member Nonrecourse Debt, determined in accordance with Regulations Section 1.704-2(i)(4). Allocations pursuant to the previous sentence shall be made in proportion to the amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Regulations Section 1.704-2(i)(4) and 1.704-2(j)(2). This Section 6.3.3 is intended to comply with the minimum gain chargeback requirement contained in Regulations Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

6.3.4 Minimum Gain Chargeback. Except as otherwise provided in Regulations Section 1.704-2(f), notwithstanding any other provision of this Article VI, if there is a net decrease in Company Minimum Gain during any Fiscal Year, each Member shall be specially allocated items of Company income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to the portion of such Member's share of the net decrease in Company Minimum Gain which share of such net decrease shall be determined in accordance with Regulations Section 1.704-2(g)(2). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Regulations Section 1.704-2(0(6) and 1.704-2(j)(2). This Section 6.3.4 is intended to comply with the minimum gain chargeback requirement contained in Regulations Section 1.704-2(f) and shall be interpreted consistently therewith.

6.3.5 Qualified Income Offset. In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Regulations Section 1.704-1(b)(2)(ii)(*d*)(*4*), (*5*), or (*6*) or any other event creates an Adjusted Capital Account Deficit, items of Company income and gain shall be specially allocated to each such Member in an amount and manner sufficient to eliminate the Adjusted Capital Account Deficit of such Member as quickly as possible, provided that an allocation pursuant to this Section 6.3.5 shall be made only if and to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article VI have been tentatively made as if this Section 6.3.5 were not in the Agreement.

6.3.6 Section 754 Adjustments. To the extent an adjustment to the Basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulations Section 1.704-1(b)(2)(iv)(*m*), to be taken into account in determining Capital Accounts, the amount of such adjustment to Capital Accounts shall be treated as an item of gain (if the adjustment increases the Basis of the asset) or loss (if the adjustment decreases such Basis) and such gain or loss shall be specially allocated to the Members in accordance with Regulations Section 1.704-1(b)(2)(iv)(*m*).

6.3.7 Priority Return Allocations. If any Priority Return distributions have been made pursuant to Section 6.8.1(a) or Section 9.5(a) hereof, all or a portion of the remaining items of Company income and, to the extent income is insufficient, gain shall be specially allocated to each Member in proportion to and to the extent of the excess, if any, of (i) the cumulative Priority Return distributions each such Member has received pursuant to Section 6.8.1(a) or Section 9.5(a) hereof from the commencement of the Company to a date 30 days after the end of such Fiscal Year, over (ii) the cumulative income and gain allocated to such Member pursuant to this Section 6.3.7 for all prior Fiscal Years. If, in addition to items of income, items of gain are to be allocated pursuant to the foregoing sentence and the Company has items of both short-term capital gain and long-term capital gain, all of the Company's items of short-term capital gain shall be allocated before any items of long-term capital gain are allocated.

6.4 Curative Allocations. The allocations set forth in Sections 6.2.3 and 6.3 (other than Section 6.3.7) hereof (collectively, the "Regulatory Allocations") are intended

to comply with certain requirements of the Regulations. It is the intent of the Members that, to the extent possible, the Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Company income, gain, loss, or deduction pursuant to this Section 6.4. Therefore, notwithstanding any other provision of this Article VI (other than the Regulatory Allocations), the Manager shall make such offsetting special allocations of Company income, gain, loss, or deduction in whatever manner it determines appropriate so that, after such offsetting allocations are made, a Member's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had (the "Target Capital Account") if the Regulatory Allocations were not part of this Agreement and all Company items were allocated pursuant to Sections 6.1, 6.2.1, 6.2.2 and 6.3.7. In exercising its discretion under this Section 6.4, the Manager shall take into account any future Regulatory Allocations under Sections 6.3.3 and 6.3.4 hereof that, although not yet made, are likely to offset other Regulatory Allocations previously made under Sections 6.3.1and 6.3.2.

6.5 Tax Allocations

6.5.1 Code Section 704(c) Allocations. The allocations specified in this Agreement shall govern the allocation of items to the Members for Code Section 704(b) book purposes, and the allocation of items to the Members for tax purposes shall be in accordance with such book allocations, except that solely for tax purposes and notwithstanding any other provision of this Article VI:

(a) In accordance with Code Section 704(c) and the Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Company shall be allocated among the Members (including Members who succeed to the Membership Interest of any other Members or former members of the Company) so as to take account of any variation between the Basis of such property to the Company and its initial Gross Asset Value.

(b) In the event the Gross Asset Value of any Company asset is adjusted pursuant to Section 1.43.3 hereof, subsequent allocations of income, gain, loss, and deduction with respect to such asset shall take account of any variation between the Basis of such asset and its Gross Asset Value in the same manner as under Code Section 704(c) and the Regulations thereunder.

(c) The allocations described in (a) and (b) above shall be made in accordance with Regulations Section 1.704-3 using the Traditional Method

6.5.2 Tax Credits. Tax credits, if any, shall be allocated among the Members in proportion to their Percentage Interests.

6.5.3 Excess Nonrecourse Liabilities. To the extent that the Company's "excess nonrecourse liabilities" within the meaning of Regulations Section 1.752-3(a)(3) are allocated among the Members in accordance with their interests in Company profits,

the Members' interests in Company profits are, solely for purposes of making such allocation, in proportion to their Percentage Interests.

6.6 Other Allocation Rules.

6.6.1 Allocation of Items Included in Net Profits and Net Losses. Whenever a proportionate part of the Net Profits or Net Losses is allocated to a Member, every item of income, gain, loss, or deduction entering into the computation of such Net Profits or Net Losses shall be credited or charged, as the case may be, to such Member in the same proportion.

6.6.2 Allocations in Respect of a Transferred Membership Interest.

(a) Upon the transfer of the Transferred Units as of the date hereof, the income, gain, loss, deduction, and credit of the Company shall be calculated as if there were a notional "closing of the books" of the Company as of the close of business on the date hereof. CII shall be allocated the income, gain, loss, deduction, or credit of the Company with respect to the Transferred Units for the portion of the Fiscal Year that ends on the date hereof pursuant to this Article VI, and CCHC shall be allocated the income, gain, loss, deduction, or credit of the Company with respect to the Transferred Units for the remainder of such Fiscal Year.

(b) If after the date hereof any Membership Interest is transferred, or is increased or decreased by reason of the admission of a new Member or otherwise, during any Fiscal Year of the Company, (i) such transfer of or increase or decrease in Membership Interest shall be deemed to have occurred as of the end of the day on which such transfer or increase or decrease occurs, and (ii) each item of income, gain, loss, deduction, or credit of the Company for such Fiscal Year shall be allocated among the Members, as determined by the Manager in accordance with any method permitted by Code Section 706(d) and the Regulations promulgated thereunder in order to take into account the Members' varying interests in the Company during such Fiscal Year.

6.7 Obligations of Members to Report Consistently. The Members are aware of the income tax consequences of the allocations made by this Article VI and hereby agree to be bound by the provisions of this Article VI in reporting their shares of Company income and loss for income tax purposes.

6.8 Distributions by the Company to Members.

6.8.1 In General. Prior to the occurrence of any event specified in Section 9.1, and subject to applicable law and any limitations contained elsewhere in this Agreement, the Manager shall distribute the Company's Available Cash, if any, not later than the 30th day after the end of each calendar year in the following order and priority:

(a) First, to Members having accrued and unpaid Priority Return as of the last day of the calendar quarter preceding the date on which such distribution is made, pro rata in accordance with the respective amounts of such accrued

and unpaid Priority Return, until each such Member shall have received an amount equal to such Member's accrued and unpaid Priority Return as of the last day of such preceding calendar quarter;

(b) Second, to Members pro rata in accordance with their respective Percentage Interests.

6.8.2 Advances or Drawings. Distributions of money and Property shall be treated as advances or drawings of money or Property against a Member's distributive share of income and as current distributions made on the last day of the Company's taxable year with respect to such Member.

6.8.3 Distributees; Liability for Distributions. All distributions made pursuant to this Section 6.8 shall be made only to the Persons who, according to the books and records of the Company, hold the Membership Interests in respect of which such distributions are made on the actual date of distribution. Neither the Company nor any Member, Manager, or officer shall incur any liability for making distributions in accordance with this Section 6.8.

6.9 Form of Distributions. A Member, regardless of the nature of the Member's Capital Contributions, has no right to demand and receive any distribution from the Company in any form other than money. No Member may be compelled to accept from the Company a distribution of any asset in kind in lieu of a proportionate distribution of money being made to other Members.

6.10 Return of Distributions. Except for distributions made in violation of the Act or this Agreement, or as otherwise required by law, no Member shall be obligated to return any distribution to the Company or pay the amount of any distribution for the account of the Company or to any creditor of the Company. Notwithstanding any provision of this Agreement to the contrary, a Member who receives a distribution from the Company shall have no liability to return any portion of such distribution after the expiration of three (3) years from the date of the distribution pursuant to Section 18-607(c) of the Act.

6.11 Limitation on Distributions. Notwithstanding any provision to the contrary in this Agreement, the Company shall not be required to make a distribution to any Member on account of such Member's interest in the Company if such distribution would violate Section 18-607 of the Act or other applicable law.

6.12 Withholding. Any tax required to be withheld with respect to any Member under Section 1446 or other provisions of the Code, or under the law of any state or other jurisdiction, shall be treated for all purposes of this Agreement (i) as a distribution of cash to be charged against current or future distributions to which such Member would otherwise have been entitled, or (ii) if determined by the Manager in writing, as a demand loan to such Member bearing interest at a rate per annum equal to the rate of interest then announced by The Bank of New York as its prime commercial lending rate plus two hundred (200) basis points.

ARTICLE VII

TRANSFER OF INTERESTS

7.1 Transfers by CII.

7.1.1 Neither CII nor any CII Permitted Transferee shall Transfer all or any portion of the Units held by it except as may be otherwise specifically provided in this Article VII.

7.1.2 CII and the CII Permitted Transferees may Transfer Units, in whole or in part, to the following Persons (each a "CII Permitted Transferee"):

(a) Any Related Party,

(b) any Person with the consent of CCV, which consent may be granted or withheld, conditioned or delayed, as CCV may determine in its sole discretion, or

(c) any Person acquiring Units pursuant to Section 7.3, Section 7.4, or Section 7.5 hereof.

7.1.3 In the event of the dissolution of CII or any CII Permitted Transferee, any transferee of such Person who is a CII Permitted Transferee shall be admitted as a Member of the Company upon compliance with the requirements of Section 7.6.

7.1.4 In the event of the death of any CII Permitted Transferee who is a natural person, the guardian, trustee or legal representative of such Person shall succeed to all rights of such Person to receive allocations and distributions from the Company but shall not be admitted as a Member of the Company. Upon the termination of the estate of a deceased Person who held some or all of the CII Class A Preferred Units, the heirs and legatees of such Person who are CII Permitted Transferees shall be admitted as Members of the Company upon compliance with the requirements of Section 7.6.

7.1.5 In the event of the adjudication of incompetency of a Person holding all or any part of the CII Class A Preferred Units who is a natural person, the guardian or legal representative of such Person shall succeed to all rights of such Person to receive allocations and distributions from the Company but shall not be admitted as a Member of the Company.

7.1.6 In the event of the bankruptcy of a Person holding all or any part of the CII Class A Preferred Units, the trustee or legal representative of such Person shall succeed to all rights of such Person to receive allocations and distributions from the Company but shall not be admitted as a Member of the Company.

7.2 Transfer of Control of CII/Successor.

7.2.1 So long as CII/Successor holds any Units, neither Mr. Allen nor any other Person in Control of CII/Successor shall Transfer Control of CII/Successor without the prior written consent of HoldCo, which consent may be granted or withheld, conditioned or delayed, as HoldCo may determine in its sole discretion; provided, however, that Mr. Allen and any Person in Control of CII/Successor may transfer Control of CII/Successor without the prior written consent of HoldCo to any Related Party; and provided further that the foregoing is not intended to, nor shall it, limit any rights of any person pursuant to the Exchange Agreement dated as of November 12, 1999 among Mr. Allen, CII, Vulcan Cable III, Inc. and CCI.

7.2.2 Upon the Transfer of Control of CII/Successor, such transferee shall become subject to this Section 7.2 and shall execute an instrument satisfactory to the Manager accepting and adopting the terms, provisions, and conditions of this Section 7.2.

7.3 Tag-Along Rights.

7.3.1 At any time that one or more Charter Members proposes to sell all or any portion of its Membership Interests to any Person other than a Charter Affiliate or in connection with an internal reorganization of CCI and its Affiliates, the Manager shall provide written notice (the "Tag-Along Notice") to CII and each CII Permitted Transferee (together, the "Allen Members") of (a) the aggregate number and type of Units to be sold by the Charter Members (the "Tag-Offered Interest") pursuant to the contract for the sale of Membership Interests by the Charter Members (such contract, a "Tag Contract") and the number and type of all Units then owned by all Charter Members; (b) the identity of the prospective purchaser; (c) the aggregate purchase price for the Tag-Offered Interest, the form of such purchase price, and any potential adjustments to such purchase price contained in the Tag Contract; (d) the purchase price for each Class A Preferred Unit of each Allen Member electing to participate in a sale pursuant to this Section 7.3 (calculated with reasonable detail in accordance with the procedures set forth in Section 7.3.4); (e) a calculation (in accordance with Section 7.3.2) of the maximum number of Class A Preferred Units that each Allen Member can elect to sell pursuant to this Section 7.3; (f) confirmation that the prospective purchaser has been informed of the Allen Members' rights under this Section 7.3 and has agreed to purchase Class A Preferred Units from the Allen Members in accordance with the terms of this Section 7.3; (g) a copy of the Tag Contract; and (h) an estimate of the date on which the closing of Tag Contract will occur. The Manager shall provide the Tag-Along Notice within 20 days after the signing of the Tag Contract and shall be provided at least 45 days prior to the consummation of the sale contemplated by the Tag Contract.

7.3.2 Each Allen Member shall have the right to participate in such proposed sale with respect to a number of Class A Preferred Units held by such Allen Member that is the same percentage of all Class A Preferred Units held by such Allen Member as the percentage of Class A Preferred Units and Class B Units held by all Charter Members that are included in the Tag-Offered Interest.

7.3.3 An Allen Member desiring to participate in the sale pursuant to this Section 7.3 (each, a "Participating Allen Member") shall exercise the rights granted pursuant to this Section 7.3 by delivering written notice (the "Tag Acceptance Notice") to the Manager within 30 days after the date of the Tag-Along Notice setting forth the number of Class A Preferred Units to be sold by such Allen Member (which shall not exceed the number of shares calculated pursuant to Section 7.3.2 hereof) (the "Tag-Along Interest"). The right of an Allen Member pursuant to this Section 7.3 shall terminate with respect to the proposed sale if not exercised within such 30 day period.

7.3.4 The purchase price for any Tag-Along Interest shall equal the amount per Class A Preferred Unit that would be distributed with respect to each Class A Preferred Unit in a hypothetical dissolution of the Company, determined by calculating the total amount that the Company would need to distribute in dissolution to all Members pursuant to this Agreement to result in dissolution proceeds to the Charter Members with respect to the Tag-Offered Interest equal to the aggregate purchase price for the Tag-Offered Interest (as may be adjusted pursuant to the Tag Contract), assuming that the Company made a distribution of such total amount pursuant to Section 9.5. If all or any portion of the purchase price for the Tag-Offered Interest consists of property or other noncash consideration, the purchase price for each Tag-Along Interest shall comprise the same proportion of each item of property or other noncash consideration as is paid for the Tag-Offered Interest.

7.3.5 At the closing of a sale pursuant to this Section 7.3, each Participating Allen Member shall be entitled and obligated to give such consents as are customary in similar transactions and to sell to the prospective purchaser its Tag-Along Interest on the same terms and conditions (other than price) as the Charter Members selling the Tag-Offered Interest (with such Participating Allen Member being subject to the same holdback, and escrow provisions, if any, and any similar components of the Tag Contract to which the Charter Members selling the Tag-Offered Interest are subject), provided that each Participating Allen Member shall only be required to make customary representations and warranties regarding its ownership of, and authority to sell, the Tag-Along Interest.

7.3.6 If, following delivery of a Tag-Along Notice, the 30 day period set forth in Section 7.3.2 shall have expired without an Allen Member's exercise of its rights under this Section 7.3, the Charter Members shall have the right to sell to the prospective purchaser or an Affiliate thereof the Tag-Offered Interest but only on terms that are no more favorable in any material respect (and in any case, with no increase in the purchase price from that specified in the Tag-Along Notice) to the Charter Members than provided in the Tag Contract without any further obligation to such Allen Member under this Section 7.3. If the Charter Members do not consummate such sale, any subsequent sale of the Tag-Offered Interest shall once again be subject to the terms of this Section 7.3.

7.4 Drag-Along Rights.

7.4.1 At any time that one or more Charter Members propose to sell to any Person other than a Charter Affiliate or in connection with an internal reorganization

of CCI and its Affiliates (a) a number of Class A Preferred Units and Class B Units equal to more than 50 percent of all Units held by all Charter Members and all Charter Affiliates, and (b) a percentage of Class A Preferred Units held by all Charter Members and all Charter Affiliates equal to the percentage of Class B Units proposed to be sold by all Charter Members and all Charter Affiliates (such Units proposed to be sold, the "Drag-Offered Interest"), the Manager shall have the right to cause each holder of the CII Class A Preferred Units to sell the Dragged Interest to the prospective purchaser. The "Dragged Interest" of each holder of the CII Class A Preferred Units shall equal the excess of (i) a number of Class A Preferred Units held by such holder that is the same percentage of all Class A Preferred Units held by such holder as the percentage of Class A Preferred Units and Class B Units held by all Charter Members and all Charter Affiliates comprising the Drag-Offered Interest, over (ii) the number of Class A Preferred Units held by such holder that comprise the Tag-Along Interest of such holder, if any.

7.4.2 The Manager shall exercise the rights set forth in this Section 7.4 by providing notice (the "Drag-Along Notice") to each holder of the CII Class A Preferred Units within 60 days after the execution of the contract for the sale of the Drag-Offered Interest (the "Drag Contact") and not less than 45 days prior to the consummation of the sale contemplated by the Drag Contract. The Drag-Along Notice shall set forth (a) the number of Class A Preferred Units and Class B Units comprising the Drag-Offered Interest, and the number and type of all Units then owned by all Charter Members and all Charter Affiliates; (b) the identity of the prospective purchaser; (c) the aggregate purchase price for the Drag-Offered Interest, the form of such purchase price, and any potential adjustments to such purchase price contained in the Drag Contract; (d) an estimate of the purchase price for each Class A Preferred Unit comprising the Drag-Offered Interest (calculated with reasonable detail in accordance with the procedures set forth in Section 7.4.3); (e) a calculation of the number of Class A Preferred Units comprising the Dragged Interest of each holder of the CII Class A Preferred Units, (calculated in accordance with Section 7.4.1); (f) confirmation that the prospective purchaser has agreed to purchase Class A Preferred Units in accordance with the terms of this Section 7.4; (g) a copy of the Drag Contract and (h) a reasonable estimate of the date on which the closing of the sale of the Drag Contract will occur.

7.4.3 The purchase price for any Dragged Interest shall equal the amount per Class A Preferred Unit that would be distributed with respect to each Class A Preferred Unit in a hypothetical dissolution of the Company, determined by calculating the total amount that the Company would need to distribute in dissolution to all Members pursuant to this Agreement to result in dissolution proceeds to the Charter Members and Charter Affiliates with respect to the Drag-Offered Interest equal to the aggregate purchase price of the Drag-Offered Interest (as may be adjusted pursuant to the Drag Contract), assuming that the Company made a distribution of such total amount pursuant to Section 9.5. If all or any portion of the purchase price for the Drag-Offered Interest consists of property or other noncash consideration, the purchase price for each Dragged Interest shall comprise the same proportion of each item of property or other noncash consideration as is paid for the Drag-Offered Interest.

7.4.4 At the closing of a sale pursuant to this Section 7.4, each holder of the CII Class A Preferred Units shall be entitled and obligated to give such consents as are customary in similar transactions and to sell to the prospective purchaser its Dragged Interest on the same terms and conditions (other than price) as the Charter Members selling the Drag-Offered Interest (with such holder being subject to the same holdback, and escrow provisions, if any, and any similar components of the Drag Contract to which the Charter Members selling the Drag-Offered Interest are subject), provided that each such holder shall only be required to make customary representations and warranties regarding its ownership of, and authority to sell, the Dragged Interest.

7.5 Put and Call Rights.

7.5.1 In the event of a Change of Control of any of CCI, Charter HoldCo, or any Charter Affiliate owning a Membership Interest in the Company (a "Change of Control Event"), the Manager shall provide written notice of the Change of Control Event (the "COC Notice") to each holder of the CII Class A Preferred Units and provide reasonable detail of the events that constituted the Change of Control. The Manager shall provide such COC Notice within 20 days after the execution of a binding agreement for a Change of Control Event or, if no such agreement is entered into, within 20 days after a Change of Control Event.

7.5.2 If a Change of Control Event occurs, each Allen Member shall have the right to sell all (but not less than all) of its Class A Preferred Units to the Company (or the Company's designee) for cash in an amount equal to the Put/Call Price.

(a) Each Allen Member shall exercise the rights granted pursuant to this Section 7.5.2 by delivering written notice (the "Put Notice") to the Manager within 30 days from the date of the COC Notice. The right of an Allen Member pursuant to this Section 7.5.2 shall terminate if not exercised within such 30 day period.

(b) If the 30 day period set forth in Section 7.5.2(a) shall have expired without an Allen Member's exercise of its rights under this Section 7.5.2, then such Allen Member shall have no further rights under this Section 7.5.2; provided, however, that if the COC Notice is attributable to the execution of an agreement for a Change of Control Event and such agreement is not closed, then any other Change of Control Event shall once again be subject to the terms of this Section 7.5.

7.5.3 To the extent holders of the CII Class A Preferred Units do not exercise the right to sell Class A Preferred Units pursuant to Section 7.5.2, the Manager shall have the right to cause the Company (or the Company's designee) to acquire all (but not less than all) of the Class A Preferred Units of such holders of the CII Class A Preferred Units for cash in an amount equal to the Put/Call Price. The Manager shall exercise the rights granted pursuant to this Section 7.5.3 by delivering written notice (the "Call Notice") to such holders within 30 days following the expiration of the 20 day period set forth in Section 7.5.2(a).

7.5.4 The purchase price for the Class A Preferred Units sold pursuant to this Section 7.5 (the "Put/Call Price") shall equal the amount per Class A Preferred Unit that would be distributed with respect to each Class A Preferred Unit if the Company were to sell all of its assets for the Implied CC VIII Value and dissolve in accordance with Article IX. The Manager and Allen Members holding a majority of the Class A Preferred Units held by all Allen Members shall attempt to reach an agreement as to the value of the business conducted by CC VIII as of the Valuation Date within the 20-day period following the later of the date of the Put Notice or the date of the Call Notice. If no such agreement is reached within such 20-day period, the Manager shall select an Appraiser and Allen Members holding a majority of the Class A Preferred Units held by all Allen Members shall select another Appraiser. The two Appraisers shall independently determine the value of the businesses conducted by CC VIII as of the Valuation Date assuming that the value of such businesses is the cash price at which the assets of such businesses as going concerns would change hands between a willing buyer and a willing seller (neither acting under compulsion) in an arms-length transaction, on terms and subject to conditions and transaction costs applicable in the cable television industry. If the higher value determined by the two Appraisers is not more than 115 percent of the lower value determined by the two Appraisers, then for purposes of clause (i) of Section 1.44 the value of the businesses conducted by CC VIII shall be the average of the values determined by the two Appraisers. If the higher value determined by the two Appraisers is more than 115 percent of the lower value determined by the two Appraisers, then the two Appraisers shall select a third Appraiser to value the businesses conducted by CC VIII as of the Valuation Date, and for purposes of clause (i) of Section 1.44 the value of the businesses conducted by CC VIII shall be the average of the two closest values determined by the three Appraisers.

7.5.5 At the closing of a sale pursuant to this Section 7.5, each seller of the CII Class A Preferred Units shall sell, transfer, convey, and assign all of its Class A Preferred Units to the Company (or the Company's designee) free and clear of all liens, pursuant to written instruments of transfer in form and substance reasonably satisfactory to the Company (or the Company's designee), against delivery of the Put/Call Price, provided that each such seller shall only be required to make customary representations and warranties regarding its ownership of, and authority to sell, the CII Class A Preferred Units.

7.6 Admission of Member. Notwithstanding the foregoing provisions of this Article VII, the transferee of a Membership Interest who is a CII Permitted Transferee or Charter Permitted Transferee shall not become a Member of the Company unless all of the following conditions have been met: (a) the Company shall (at its option) have received a written opinion from the Company's counsel, in form and substance reasonably satisfactory to the Company, specifying the nature and circumstances of the proposed Transfer and any related transactions of which the proposed Transfer is a part, and based on such facts stating that the proposed Transfer and any related transactions will not be in violation of any of the registration provisions of the Securities Act, or any applicable state securities laws; (b) the Transfer will not result in the loss of any license or regulatory approval or exemption that has been obtained by the Company and is materially useful in the conduct of its business as then being conducted or proposed to be

conducted; (c) the Transfer will not result in a material and adverse limitation or restriction on the operations of Charter HoldCo taken as a whole; (d) the Transfer will not cause the Company to be treated as a "publicly traded partnership" within the meaning of section 7704 of the Code; (e) the Transfer will not cause the Company to be treated as an "investment company" within the meaning of section 3 of the Investment Company Act of 1940, as amended; and (f) the CII Permitted Transferee or Charter Permitted Transferee, as applicable, has executed an instrument satisfactory to the Manager accepting and adopting the terms, provisions, and conditions of this Agreement, including without limitation Section 10.16 herein, with respect to the acquired Membership Interest. The admission of a substitute Member shall not result in the release of the Member who assigned the Membership Interest from any liability that such Member may have to the Company.

7.7 Other Transfers of Units Not Valid. Any purported Transfer of all or any of the Membership Interests in any manner except in accordance with the provisions of this Article VII shall be null and void, and neither the Company nor any other Member shall recognize any such Transfer as passing any interest in such Membership Interests to any Person. Notwithstanding the foregoing, if any CII Class A Preferred Units are transferred in violation of this Article VII, such transferee shall nevertheless be subject to Sections 7.4 and 7.5.3 hereof, and the transferor of such CII Class A Preferred Units shall be liable to the Company for all losses, damages, and costs incurred by the Company arising from the transferee's failure to comply with such Sections.

7.8 Recognition of Transferee Members.

7.8.1 After a Person has been admitted as a Member of the Company pursuant to Section 7.6 hereof, the Manager shall cause an amendment to the Certificate to be prepared and recorded promptly, if such amendment is required by the Act or other applicable law. However, the Company shall recognize such Person as a Member of the Company on the date on which such Person satisfies the conditions of Section 7.6 hereof, even if such an amendment to the Certificate is not filed or is filed subsequently.

7.8.2 After the effective date of any Transfer of any part of a Membership Interest in accordance with this Agreement, the Membership Interest so Transferred shall continue to be subject to the terms, provisions, and conditions of this Agreement, and any further Transfers shall be required to comply with all of the terms, provisions, and conditions of this Agreement. Any transferee of all or any portion of a Membership Interest shall take subject to the restrictions on transfer imposed by this Agreement.

7.9 Elections Under the Code. In the event of a Transfer of a Membership Interest in accordance with this Agreement, the Company, at the request of the party acquiring such Transferred Membership Interest, shall elect, pursuant to Section 754 of the Code and any like provision of applicable state law, to adjust the basis of the Company Property; each Member agrees to provide the Company with all information necessary to give effect to such election.

ARTICLE VIII

BOOKS AND RECORDS; ACCOUNTING; TAX MATTERS

8.1 Books and Records. The Manager shall cause the books and records of the Company to be kept, and the financial position and the results of its operations to be recorded, in accordance with generally accepted accounting principles; provided, however, that the Manager may, to the extent appropriate under applicable tax and accounting principles, maintain separate and corresponding records for book and tax purposes. The books and records of the Company shall reflect all the Company transactions and shall be appropriate and adequate for the Company's business.

8.2 Delivery to Members and Inspection.

8.2.1 Upon the request of any Member, the Manager shall make reasonably available to the requesting Member the Company's books and records; provided, however, that the Manager shall have the right to keep confidential from the Members, for such period of time as the Manager deems reasonable, any information which the Manager reasonably believes to be in the nature of trade secrets or other information the disclosure of which the Manager in good faith believes is not in the best interest of the Company or could damage the Company or its business or which the Company is required by law or by agreement with a third party to keep confidential.

8.2.2 Any request, inspection, or copying of information by a Member under this Section 8.2 may be made by that Person or that Person's agent or attorney.

8.3 Financial Statements.

8.3.1 General. The Manager shall provide any Member with such periodic operating and financial reports of the Company as such Member may from time to time reasonably request.

8.3.2 Annual Report. The Manager shall cause annual audited financial statements to be sent to each Member holding more than 0.1 percent of all outstanding Units not later than 90 days after the close of the Company's Fiscal Year. The report shall contain a balance sheet as of the end of the Company's Fiscal Year and an income statement and statement of cash flow for the Company's Fiscal Year. Such financial statements shall be prepared in accordance with generally accepted accounting principles consistently applied and be accompanied by the report thereon of the independent accountants engaged by the Company.

8.4 Tax Returns. The Manager shall cause to be prepared information necessary for the preparation of the Members' federal and state income tax and information returns, and for the computation of the Members' estimated income tax payments. The Manager shall send or cause to be sent to each Member, or as soon as practicable following the end of each Fiscal Year, but in no event later than July 15, (a) such information as is necessary to complete such Member's federal and state income tax or information returns, and (b) a schedule setting forth each Member's Capital Account

balance as of the end of the most recent Fiscal Year. The Manager shall cause the income tax and information returns for the Company to be timely filed with the appropriate authorities. If a Member requests, the Company shall provide such Member with copies of the Company's federal, state, and local income tax or information returns for that year, tax-related schedules, work papers, appraisals, and other documents as reasonably required by such Member in preparing its tax returns.

8.5 Other Filings. The Manager also shall cause to be prepared and timely filed, with appropriate federal and state regulatory and administrative bodies, amendments to, or restatements of, the Certificate and all reports required to be filed by the Company with those entities under the Act or other then current applicable laws, rules, and regulations.

8.6 Bank Accounts. The Manager shall maintain the funds of the Company in one or more separate bank accounts in the name of the Company, and shall not permit the funds of the Company to be commingled in any fashion with the funds of any other Person.

8.7 Accounting Decisions and Reliance on Others. All decisions as to accounting matters, except as otherwise specifically set forth herein, shall be made by the Manager. The Manager may rely upon the advice of the Company's accountants as to whether such decisions are in accordance with accounting methods followed for federal income tax purposes or financial accounting purposes (as applicable).

8.8 Tax Matters.

8.8.1 Taxation as Partnership. The Company shall be treated as a partnership for tax purposes. The Company shall avail itself of any election or procedure under the Code or the Regulations and under state and local tax law, including any "check-the-box" election, for purposes of having an entity classified as a partnership for tax purposes, and the Members shall cooperate with the Company in connection therewith and hereby authorize the Manager to take whatever actions and execute whatever documents are necessary or appropriate to effectuate the foregoing.

8.8.2 Elections; Tax Matters Partner. Subject to the provisions of this Agreement, the Manager shall from time to time cause the Company to make such tax elections as it deems to be necessary or appropriate. The Members designate CCV as the "tax matters partner" (within the meaning of Code Section 6231(a)(7)) to represent the Company in connection with all examinations of the Company's affairs by tax authorities, including without limitation resulting judicial and administrative proceedings, and shall expend Company funds for professional services and costs associated therewith.

ARTICLE IX

DISSOLUTION AND WINDING UP

9.1 Dissolution. The Company shall be dissolved, its assets shall be disposed of, and its affairs shall be wound up on the first to occur of the following:

(a) The entry of a decree of judicial dissolution pursuant to Section 18-802 of the Act; or

(b) The decision of the Manager, in its sole discretion.

9.2 Winding Up. Upon the occurrence of any event specified in Section 9.1, the Company shall continue solely for the purpose of winding up its affairs in an orderly manner, liquidating its assets, and satisfying the claims of its creditors. The Manager shall be responsible for overseeing the winding up and dissolution of the Company, shall take full account of the assets and liabilities of the Company, shall either cause its assets to be sold to any Person or distributed to a Member, and if sold, as promptly as is consistent with obtaining the fair market value thereof, shall cause the proceeds therefrom, to the extent sufficient therefor, to be applied and distributed as provided in Section 9.5 hereof. The Person(s) winding up the affairs of the Company shall give written notice of the commencement of winding up by mail to all known creditors and claimants whose addresses appear on the records of the Company. All actions and decisions required to be taken or made by such Person(s) under this Agreement shall be taken or made only with the consent of all such Person(s).

9.3 Distributions in Kind. Any non-cash asset distributed to one or more Members shall first be valued at its fair market value to determine the gain or loss that would have been included in the amounts allocated pursuant to Article VI if such asset were sold for such value. Such gain or loss shall then be allocated pursuant to Article VI, and the Members' Capital Accounts shall be adjusted to reflect such allocations. The amount distributed and charged to the Capital Account of each Member receiving an interest in such distributed asset shall be the fair market value of such interest (net of any liability secured by such asset that such Member assumes or takes subject to).

9.4 Determination of Fair Market Value. For purposes of Section 9.2 and 9.3, the fair market value of each asset of the Company shall be determined by the Manager or, if a Member requests, by an independent, third-party appraiser experienced in the valuation of businesses such as the Company's business, selected in good faith by the Manager. The Company shall bear the costs of the appraisal.

9.5 Order of Distributions Upon Dissolution. After determining that all known debts and liabilities of the Company in the process of winding up, including without limitation debts and liabilities to Members who are creditors of the Company, have been paid or adequately provided for, the remaining assets shall be distributed to the Members in the following order:

(a) First, to Members having accrued and unpaid Priority Return as of the date of distribution, pro rata in accordance with the respective amounts of accrued and unpaid Priority Return, until each such Member shall have received an amount equal to such Member's accrued and unpaid Priority Return as of such date; provided, however, that no distribution shall be made pursuant to this Section 9.5(a) that creates or increases a Capital Account deficit for any Member which exceeds such Member's obligation deemed and actual to restore such deficit, determined as follows:

Distributions shall first be determined tentatively pursuant to this Section 9.5(a) without regard to the Members' Capital Accounts, and then the allocation provisions of Article VI shall be applied tentatively as if such tentative distributions had been made. If any Member shall thereby have a deficit Capital Account which exceeds his obligation (deemed or actual) to restore such deficit, the actual distribution to such Member pursuant to this Section 9.5(a) shall be equal to the tentative distribution to such Member less the amount of the excess to such Member; and

(b) Second, to Members in accordance with their positive Capital Account balances, after taking into account income and loss allocations for the Company's taxable year during which liquidation occurs.

Such liquidating distributions shall be made by the end of the Company's taxable year in which the Company is liquidated or, if later, within 90 days after the date of such liquidation.

9.6 Limitations on Payments Made in Dissolution. Each Member shall be entitled to look solely to the assets of the Company for the return of such Member's positive Capital Account balance. Notwithstanding that the assets of the Company remaining after payment of or due provision for all debts, liabilities, and obligations of the Company may be insufficient to return the Capital Contributions or share of Net Profits reflected in such Member's positive Capital Account balance, a Member shall have no recourse against the Company or any other Member.

9.7 Certificate of Cancellation. Upon completion of the winding up of the affairs of the Company, the Manager, or other Person(s) winding up the affairs of the Company, shall cause to be filed in the office of, and on a form prescribed by, the Delaware Secretary of State, a certificate of cancellation.

9.8 Termination. The Company shall terminate when all of the assets of the Company have been distributed in the manner provided for in this Article IX, and the certificate of cancellation is filed in accordance with Section 9.7 hereof.

9.9 No Action for Dissolution. Except as expressly permitted in this Agreement, a Member shall not take any voluntary action that directly causes a dissolution of the Company other than voting in favor of dissolution.

ARTICLE X

MISCELLANEOUS

10.1 Complete Agreement. This Agreement and any schedules and exhibits hereto, any document referenced in this Agreement and any schedules and exhibits thereto (including without limitation the Settlement Agreement and any schedules and exhibits thereto) (together, the "Transaction Documents"), and the Certificate contain the entire understanding of the parties with respect to the subject matter hereof. There are no restrictions, agreements, promises, representations, warranties, covenants or undertakings with respect to the subject matter hereof other than those expressly set forth or referred to

herein or in the Transaction Documents. Except for the Transaction Documents, this Agreement supersedes all prior agreements and understandings between the parties with respect to its subject matter.

10.2 Amendments.

10.2.1 Solely with the approval of the Manager, this Agreement may be modified or amended in any respect, including amendments or modifications contemplated under Sections 3.1 and 4.2 hereof providing for the issuance of additional Membership Interests having such relative rights, powers and duties as the Manager shall determine (including without limitation rights, powers and duties senior to or different from existing Membership Interests).

10.2.2 Notwithstanding Section 10.2.1, this Agreement shall not be amended, including by way of merger, consolidation or otherwise, (A) without the approval of Class A Members holding at least 80 percent of the Class A Preferred Units if the amendment would result in a greater reduction in the aggregate Percentage Interests of the Class A Members (such reduction expressed as a percentage of the aggregate Percentage Interests of the Class A Members prior to such amendment) than the reduction in the aggregate Percentage Interests of the Class B Members (such reduction expressed as a percentage of the aggregate Percentage Interests of the Class B Members prior to such amendment) and (B) without the approval of each Class A Member if such amendment would adversely affect the express terms or rights of the Class A Members and/or the Class A Units set forth in this Agreement.

10.2.3 Each Member hereby irrevocably constitutes and appoints the Manager as its true and lawful attorney-in-fact, in its name, place, and stead, to make, execute, acknowledge, and file any duly adopted amendment to or restatement of this Agreement (solely to the extent that such Member's consent is not required under this Agreement). It is expressly intended by each Member that the power of attorney granted by the preceding sentence is coupled with an interest, shall be irrevocable, and shall survive and not be affected by the subsequent disability or incapacity of such Member (or if such Member is a corporation, partnership, trust, association, limited liability company or other legal entity, by the dissolution or termination thereof).

10.3 Binding Effect. Subject to the provisions of this Agreement relating to transferability, this Agreement shall be binding upon and inure to the benefit of the Members, and their respective successors and assigns.

10.4 Parties in Interest. Except as expressly provided in the Act, nothing in this Agreement shall confer any rights or remedies under or by reason of this Agreement on any Persons other than the Members and the Manager and their respective successors and assigns nor shall anything in this Agreement relieve or discharge the obligation or liability of any third person to any party to this Agreement, nor shall any provision give any third person any right of subrogation or action over or against any party to this Agreement.

10.5 Statutory References. Any reference to the Code, the Regulations, the Act, or other statutes or laws or any specific agreement shall include all amendments, modifications, or replacements of the specific sections and provisions concerned.

10.6 Headings. All headings herein are inserted only for convenience and ease of reference and shall not be considered in the construction or interpretation of any provision of this Agreement.

10.7 References to this Agreement. Numbered or lettered articles, sections, and subsections herein contained refer to articles, sections, and subsections of this Agreement unless otherwise expressly stated.

10.8 Interpretation. In this Agreement, unless otherwise specified or where the context otherwise requires:

10.8.1 Unless otherwise expressly stated, a reference to a recital is to the relevant recital to this Agreement, to a numbered or lettered article, section, subsection or clause is to the relevant article, section, subsection or clause of this Agreement, and to an Exhibit or Schedule is to the relevant Exhibit or Schedule to this Agreement.

10.8.2 Words importing any gender shall include other genders.

10.8.3 Words importing the singular only shall include the plural and vice versa.

10.8.4 The words "include", "includes" or "including" shall be deemed to be followed by the words "without limitation".

10.8.5 The words "hereof", "herein", "hereunder" and "herewith" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular provision of this Agreement.

10.9 Governing Law. This Agreement shall be enforced, governed by, and construed in accordance with the laws of the State of Delaware, regardless of the choice or conflict of laws provisions of Delaware or any other jurisdiction.

10.10 Severability. If any provision of this Agreement or the application of such provision to any Person or circumstance shall be held invalid, the remainder of this Agreement or the application of such provision to Persons or circumstances other than those to which it is held invalid shall not be affected thereby.

10.11 Additional Documents and Acts. Each Member agrees to execute and deliver, from time to time, such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out, and perform all of the terms, provisions, and conditions of this Agreement and the transactions contemplated hereby.

10.12 Notices. Unless otherwise provided, any notice required or permitted under this Agreement shall be given in writing and shall be deemed effectively given (a) upon personal delivery to the party to be notified, (b) on the 5th day after deposit with the United States Post Office, by registered or certified mail, postage prepaid, (c) on the next business day after dispatch via nationally recognized overnight courier or (d) upon confirmation of transmission by facsimile, all addressed to the party to be notified at the address indicated for such party below, or at such other address as such party may designate by 10 days' advance written notice to the other parties. Notices should be provided in accordance with this Section at the following addresses:

If to Mr. Allen or CII, to such Person at:

c/o Vulcan Inc.
505 Fifth Avenue S, Suite 900
Seattle, Washington 98104
Attention: Mr. Gregory P. Landis, Executive Vice President and General Counsel
Telephone: (206) 342-2347
Facsimile: (206) 342-3347

with a copy (which shall not constitute notice) to:

Mr. Allen D. Israel
Foster Pepper & Shefelman PLLC
1111 Third Avenue, 34th Floor
Seattle, Washington 98101
Telephone: (206) 447-8911
Facsimile: (206) 749-1957

and with a copy (which shall not constitute notice) to:

Mr. Nicholas P. Saggese
Skadden, Arps, Slate, Meagher & Flom LLP
300 South Grand Avenue, 34th Floor
Los Angeles, California 90071
Telephone: (213) 687-5550
Facsimile: (213) 687-5600

If to the Company, CCV, CCHC, Charter Holdco or the Manager, to such Person at:

Charter Communications, Inc.
12405 Powerscourt Drive
St. Louis, Missouri 63131-3674
Attention: General Counsel
Telephone: (314) 543-2308
Facsimile: (314) 965-8793

with a copy (which shall not constitute notice) to:

Mr. Dennis Friedman
Gibson, Dunn & Crutcher LLP
200 Park Avenue
New York New York 10166
Telephone: (212) 351-4000
Facsimile: (212) 351-6201

10.13 No Interest in Company Property; Waiver of Action for Partition. No Member has any interest in specific Property of the Company. Without limiting the foregoing, each Member irrevocably waives during the duration of the Company any right that such Member may have to maintain any action for partition with respect to the Property of the Company.

10.14 Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

10.15 Remedies Cumulative. The remedies under this Agreement are cumulative and shall not exclude any other remedies to which any Person may be lawfully entitled.

10.16 Investment Representation. Each Member hereby represents to, and agrees with, the other Members and the Company that such Member has acquired the Membership Interest for investment purposes for such Member’s own account only and not with a view to or for sale in connection with any distribution of all or any part of the Membership Interest. No other Person will have any direct or indirect beneficial interest in or right to the Membership Interest.

10.17 Specific Enforcement; Attorney’s Fees. The Members agree that the remedy at law for damages upon violation of the terms of this Agreement would be inadequate because the Membership Interests and the business of the Company are unique. Therefore, the Members agree that the provisions of this Agreement may be specifically enforced by any court of competent jurisdiction, and each Member and its respective transferees agree to submit to the jurisdiction of the court where any such action for specific performance is brought. If any Member defaults in its performance of any of the terms and conditions of this Agreement and if, as a result of such default, a lawsuit seeking damages, specific performance, or any other remedy is filed by another Member, then, in that event, the prevailing party in such a lawsuit shall be entitled to obtain attorney's fees from the losing party in such amount as shall be determined by the court to be reasonable under the circumstances.

IN WITNESS WHEREOF, the Members have executed this Agreement, effective as of the date first written above.

CCV Holdings, LLC

By: s/ Paul E. Martin
Name: Paul E. Martin
Title: Senior Vice President, Interim Chief Financial Officer

CCHC

By: s/ Paul E. Martin
Name: Paul E. Martin
Title: Senior Vice President, Interim Chief Financial Officer

Charter Investment, Inc.

By: s/ Gregory P. Landis
Name: Gregory P. Landis
Title: Executive Vice President and General Counsel

CCI has executed this Agreement effective as of the date set forth above solely for purposes of confirming (i) its continuation as the Manager of the Company under and to the extent provided in Section 5.1 of this Agreement, (ii) its consent to the amendment of the Existing LLC Agreement by this Agreement, and (iii) its consent to the provisions of Section 7.5 hereof.

Charter Communications, Inc.

By: s/ Paul E. Martin
Name: Paul E. Martin
Title: Senior Vice President, Interim
Chief Financial Officer

Charter HoldCo has executed this Agreement effective as of the date set forth above solely for purposes of confirming its consent to the provisions of Section 7.5 hereof.

Charter Communications Holding Company, LLC

By: s/ Paul E. Martin
Name: Paul E. Martin
Title: Senior Vice President, Interim
Chief Financial Officer

Paul G. Allen has executed this Agreement effective as of the date set forth above solely for purposes of confirming his consent to the provisions of Section 7.2 hereof.

s/ Paul G. Allen
Paul G. Allen

SCHEDULE A

Member; Number of Units; Initial Priority Capital

Member/Address	Class A Preferred Units		Number of Class B Units
	Number of Units	Initial Priority Capital	
CCV Holdings, LLC			105,928,319
CCHC	16,991,760	$440,641,882	
Charter Investment, Inc.	7,282,183	$188,846,524	

SCHEDULE B

Prior Capital Contributions

	CCV Holdings, LLC	CCHC	Charter Investment, Inc.
Capital Contributions, February 2000	$1,466,813,786	$440,641,884	$188,846,522
Contribution of Avalon Systems, January 2001	$527,182,978		
Contribution of Cable USA Systems, August 2001	$3,179,000		
Contribution of Cash, 2001	$110,324,891		
Contribution of Cash, 2002	$108,966,528		
Total	$2,216,467,183	$440,641,884	$188,846,522

Exhibit 10.21

SECOND AMENDED AND RESTATED

LIMITED LIABILITY COMPANY

AGREEMENT
OF

CHARTER COMMUNICATIONS HOLDINGS, LLC

(a Delaware Limited Liability Company)

This SECOND AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT OF CHARTER COMMUNICATIONS HOLDINGS, LLC (this "Agreement"), is entered into as of October 31, 2005 by CCHC, LLC, a Delaware limited liability company ("CCHC"), the sole member of CHARTER COMMUNICATIONS HOLDINGS, LLC, a Delaware limited liability company (the "Company").

W I T N E S S E T H:

WHEREAS, the Company is governed by that certain Amended and Restated Limited Liability Company Agreement dated as of October 30, 2001, as amended (the "Prior Agreement"); and

WHEREAS, CCHC, as the sole member of the Company, wishes to amend and restate the Prior Agreement to reflect the current membership of the Company; and

NOW THEREFORE, in consideration of the terms and provisions set forth herein, the benefits to be gained by the performance thereof and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the party hereby agrees as follows:

SECTION 1. General.

(a) Effective as of the date and time of filing of the Certificate of Formation (the "Certificate") in the office of the Secretary of State of the State of Delaware, the Company was formed as a limited liability company under the Delaware Limited Liability Company Act. Except as expressly provided herein, the rights and obligations of the members in connection with the regulation and management of the Company shall be governed by the Delaware Limited Liability Company Act (6 Del.C. § 18-101, et. seq.) (the "Delaware Limited Liability Company Act").

(b) The name of the Company shall be "CHARTER COMMUNICATIONS HOLDINGS, LLC." The business of the Company shall be conducted under such name or any other name or names that the Manager shall determine from time to time.

(c) The address of the registered office of the Company in the State of Delaware shall be c/o CorpAmerica, Inc., 30 Old Rudnick Lane, Dover, Delaware 19901. The name and

address of the registered agent for service of process on the Company in the State of Delaware shall be CorpAmerica, Inc., 30 Old Rudnick Lane, Dover, Delaware 19901. The registered office or registered agent of the Company may be changed from time to time by the Manager.

(d) The principal place of business of the Company shall be at 12405 Powerscourt Drive, St. Louis, MO 63131. At any time, the Manager may change the location of the Company's principal place of business.

(e) The term of the Company commenced on the date of the filing of the Certificate in the office of the Secretary of State of the State of Delaware, and will continue and have perpetual existence until dissolved and its affairs wound up in accordance with the provisions of this Agreement.

(f) The execution of the Certificate and the filing thereof in the office of the Secretary of State of the State of Delaware, are hereby ratified, confirmed and approved by the members.

(g) The Manager shall cause the Company to be qualified, formed or registered under assumed or fictitious name statutes or similar laws in any jurisdiction in which the Company transacts business and in which such qualification, formation or registration is required or desirable. The Manager, as an authorized person within the meaning of the Delaware Limited Liability Company Act, shall execute, deliver and file any certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in a jurisdiction in which the Company may wish to conduct business.

SECTION 2. Purposes. The Company was formed for the object and purpose of, and the nature of the business to be conducted by the Company is, engaging in any lawful act or activity for which limited liability companies may be formed under the Delaware Limited Liability Company Act and engaging in any and all activities necessary, convenient, desirable or incidental to the foregoing.

SECTION 3. Powers. The Company shall have all powers necessary, appropriate or incidental to the accomplishment of its purposes and all other powers conferred upon a limited liability company pursuant to the Delaware Limited Liability Company Act.

SECTION 4. Management.

(a) **Management by Managers**. CCHC, as the sole member of the Company, hereby elects Charter Communications, Inc. ("CCI"), a Delaware corporation, or its successor-in-interest, as the Company's Manager. CCI shall be the Manager until the member elects otherwise. No additional person may be elected as Manager without the approval of the member. Except as otherwise required by applicable law and as provided below with respect to the Board of Directors, the powers of the Company shall at all times be exercised by or under the authority of, and the business, property and affairs of the Company shall be managed by, or under the direction of, the Manager.

The Manager shall be authorized to elect, remove or replace directors and officers of the Company, who shall have such authority with respect to the management of the business and

affairs of the Company as set forth herein or as otherwise specified by the Manager in the resolution or resolutions pursuant to which such directors or officers were elected.

Except as otherwise required by applicable law, CCI, in its capacity as Manager, shall be authorized to execute or endorse any check, draft, evidence of indebtedness, instrument, obligation, note, mortgage, contract, agreement, certificate or other document on behalf of the Company.

No annual or regular meetings of the Manager or the members are required. The Manager may, by written consent, take any action which it is otherwise required or permitted to take at a meeting.

(b) **Board of Directors**.

i) Notwithstanding paragraph (a) above, the Manager may delegate its power to manage the business of the Company to a Board of Directors (the "Board") which, subject to the limitations set forth below, shall have the authority to exercise all such powers of the Company and do all such lawful acts and things as may be done by a manager of a limited liability company under the Delaware Limited Liability Company Act and as are not by statute, by the Certificate, or by this Agreement directed or required to be exercised or done by the Manager. The rights and duties of the members of the Board may not be assigned or delegated to any person or entity.

ii) Except as otherwise provided herein, members of the Board shall possess and may exercise all the powers and privileges and shall have all of the obligations and duties to the Company and the members granted to or imposed on directors of a corporation organized under the laws of the State of Delaware.

iii) The number of directors shall initially be two (2), which number may be changed from time to time by the Manager. The initial directors shall be as set forth on Exhibit A hereto.

iv) Each director shall be appointed by the Manager and shall serve in such capacity until the earlier of his resignation, removal or replacement by the Manager.

v) No director shall be entitled to any compensation for serving as a director. No fee shall be paid to any director for attendance at any meeting of the Board; provided, however, that the Company may reimburse directors for the actual reasonable costs incurred in such attendance.

(c) **Consent Required**. The affirmative vote, approval, consent or ratification of the Manager shall be required to:

i) alter the primary purposes of the Company as set forth in Section 2;

ii) issue membership interests in the Company to any Person and admit such Person as a member;

iii) do any act in contravention of this Agreement or any resolution of the members, or cause the Company to engage in any business not authorized by the Certificate or the terms of this Agreement or that which would make it impossible to carry on the usual course of business of the Company;

iv) enter into or amend any agreement which provides for the management of the business or affairs of the Company by a person other than the Manager;

v) change or reorganize the Company into any other legal form;

vi) amend this Agreement;

vii) approve a merger or consolidation with another Person;

viii) sell all or substantially all of the assets of the Company;

ix) change the status of the Company from one in which management is vested in the Manager to one in which management is vested in the members or in any other manager, other than as may be delegated to the Board and the officers hereunder;

x) possess any Company property or assign the rights of the Company in specific Company property for other than a Company purpose;

xi) operate the Company in such a manner that the Company becomes an "investment company" for purposes of the Investment Company Act of 1940;

xii) except as otherwise provided or contemplated herein, enter into any agreement to acquire property or services from any Person who is a director or officer;

xiii) settle any litigation or arbitration with any third party, any member, or any affiliate of any member, except for any litigation or arbitration brought or defended in the ordinary course of business where the present value of the total settlement amount or damages will not exceed $5,000,000;

xiv) materially change any of the tax reporting positions or elections of the Company;

xv) make or commit to any expenditures which, individually or in the aggregate, exceed or are reasonably expected to exceed the Company's total budget (as approved by the Manager) by the greater of 5% of such budget or Five Million Dollars ($5,000,000); or

xvi) make or incur any secured or unsecured indebtedness which, individually or in the aggregate, exceeds Five Million Dollars ($5,000,000), provided that this restriction shall not apply to (i) any refinancing of or amendment to existing indebtedness which does not increase total borrowing, (ii) any indebtedness to (or guarantee of indebtedness of) any company controlled by or under common control with the Company ("Intercompany Indebtedness"), (iii) the pledge of any assets to support any otherwise

permissible indebtedness of the Company or any Intercompany Indebtedness or (iv) indebtedness necessary to finance a transaction or purchase approved by the Manager.

(d) **Board of Director Meetings**.

i) *Regular Meetings*. Regular meetings of the Board may be held without notice at such time and at such place as shall from time to time be determined by the Board, but not less often than annually.

ii) *Special Meetings*. Special meetings of the Board may be called by the president or any member of the Board on twenty-four (24) hours' notice to each director; special meetings shall be called by the president or secretary in like manner and on like notice on the written request of members holding a majority of the Common Units held by all members. Notice of a special meeting may be given by facsimile.

iii) *Telephonic Meetings*. Members of the Board may participate in any regular or special meeting of the Board, by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this Section 4(d)(iii) will constitute presence in person at such meeting.

iv) *Quorum*. Subject to the provisions of Section 4(c), at all meetings of the Board, a majority of the directors shall constitute a quorum for the transaction of business, and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board, except as may be otherwise specifically provided by statute, the Certificate or this Agreement. If a quorum is not present at any meeting of the Board, the directors present thereat may adjourn the meeting from time to time until a quorum shall be present. Notice of such adjournment shall be given to any director not present at such meeting.

v) *Action Without Meeting*. Unless otherwise restricted by the Certificate of Formation or this Agreement, any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if all members of the Board consent thereto in writing and such written consent is filed with the minutes of proceedings of the Board.

(e) **Board's Duty of Care**. The Board's duty of care in the discharge of its duties to the Company and the members is limited to discharging its duties pursuant to this Agreement in good faith, with the care a corporate director of like position would exercise under similar circumstances, in the manner it reasonably believes to be in the best interests of the Company. In discharging its duties, the Board shall not be liable to the Company or to any member for any mistake or error in judgment or for any act or omission believed in good faith to be within the scope of authority conferred by this Agreement or approved by the Manager.

SECTION 5. Officers.

(a) **Officers**. The officers shall be a President, a Treasurer and a Secretary, and such other additional officers, including a Chairman of the Board, one or more Chairmen, Vice Presidents, Assistant Secretaries and Assistant Treasurers as the Board, the Manager or the

President may from time to time elect. Any two or more offices may be held by the same individual.

(b) **Election and Term**. The President, Treasurer and Secretary shall be elected by and shall hold office at the pleasure of the Board or the Manager. The Board, the Manager or the President may elect such other officers and agents as it shall deem desirable, who shall hold office at the pleasure of the Board, the Manager or the President, and who shall have such authority and shall perform such duties as from time to time shall be prescribed by the Board, the Manager or the President.

(c) **Removal**. Any officer may be removed by the affirmative vote of the Manager or the affirmative vote of at least a majority of the directors then in office, with or without cause, for any reason or for no reason. Any officer other than the President, the Treasurer or the Secretary may be removed by the President, with or without cause, for any reason or for no reason.

(d) **Duties and Authority of Officers**.

i) *President*. The President shall be the chief executive officer and (if no other person has been appointed as such) the chief operating officer of the Company; shall preside at all meetings of the members and directors; shall have general supervision and active management of the business and finances of the Company; shall see that all orders and resolutions of the Board or the Manager are carried into effect; subject, however, to the right of the directors to delegate any specific powers to any other officer or officers. In the absence of direction by the Board or Manager to the contrary, the President shall have the power to vote all securities held by the Company and to issue proxies therefor. In the absence or disability of the President, any Chairman (if any) or, if there is no Chairman, the most senior available officer appointed by the Board or the Manager shall perform the duties and exercise the powers of the President with the same force and effect as if performed by the President, and shall be subject to all restrictions imposed upon him.

ii) *Vice President*. Each Vice President, if any, shall perform such duties as shall be assigned to him or her and shall exercise such powers as may be granted to him or her by the Manager, the Board or by the President of the Company. In the absence of direction by the Board, the Manager or the President to the contrary, the any Senior Vice President shall have the power to vote all securities held by the Company and to issue proxies therefor.

iii) *The Secretary*. The Secretary shall give, or cause to be given, a notice as required of all meetings of the members and of the Board. The Secretary shall keep or cause to be kept, at the principal executive office of the Company or such other place as the Board may direct, a book of minutes of all meetings and actions of directors and members. The minutes shall show the time and place of each meeting, whether regular or special (and, if special, how authorized and the notice given), the names of those present at directors' meetings, the number of shares present or represented at shareholders'

meetings, and the proceedings thereof. The Secretary shall perform such other duties as may be prescribed from time to time by the Manager or the Board.

iv) *The Treasurer*. The Treasurer shall have custody of the Company funds and securities and shall keep or cause to be kept full and accurate accounts of receipts and disbursements in books of the Company to be maintained for such purpose; shall deposit all moneys and other valuable effects of the Company in the name and to the credit of the Company in depositories designated by the Manager or the Board; and shall disburse the funds of the Company as may be ordered by the Manager or the Board.

v) *The Chairman*. The Chairman, if any, shall perform such duties as shall be assigned, and shall exercise such powers as may be granted to him or her by the Manager or the Board.

SECTION 6. Members.

(a) The members of the Company shall be as set forth on Exhibit B hereto as amended from time to time. At the date hereof, CCHC is the sole member. Other persons may be admitted as members from time to time pursuant to the provisions of this Agreement. If an admission of a new member results in the Company having more than one member, this Agreement shall be amended in accordance with the provisions of Section 15(b) to establish the rights and responsibilities of the members and to govern their relationships.

(b) No member shall be liable for the debts, liabilities and obligations of the Company, including any debts, liabilities and obligations under a judgment, decree or order of a court.

(c) Neither a member nor any of its affiliates, partners, members, directors, managers, officers or employees shall be expressly or impliedly restricted or prohibited by virtue of this Agreement or the relationships created hereby from engaging in other activities or business ventures of any kind or character whatsoever. Except as otherwise agreed in writing, each member and its affiliates, partners, members, directors, managers, officers and employees shall have the right to conduct, or to possess a direct or indirect ownership interest in, activities and business ventures of every type and description, including activities and business ventures in direct competition with the Company.

SECTION 7. Percentage Interests. As of the date hereof, the Percentage Interests or number of membership units held by each member shall be as set forth in Exhibit B attached hereto. So long as CCHC is the sole member of the Company, CCHC's Percentage Interest shall be 100 percent.

SECTION 8. Distributions. The Company may from time to time distribute to the members such amounts in cash and other assets as shall be determined by the members. Each such distribution, including liquidating distributions, shall be divided among the members in accordance with their Percentage Interests.

SECTION 9. **Allocations.** The profits and losses of the Company shall be allocated to the members in accordance with their Percentage Interests or number of membership units.

SECTION 10. **Dissolution; Winding Up.**

(a) The Company shall be dissolved upon (i) the adoption of a plan of dissolution by the members or (ii) the occurrence of any event required to cause the dissolution of the Company under the Delaware Limited Liability Company Act.

(b) Any dissolution of the Company shall be effective as of the date on which the event occurs giving rise to such dissolution, but the Company shall not terminate unless and until all its affairs have been wound up and its assets distributed in accordance with the provisions of the Delaware Limited Liability Company Act.

(c) Upon dissolution of the Company, the Company shall continue solely for the purposes of winding up its business and affairs as soon as reasonably practicable. Promptly after the dissolution of the Company, the Manager shall immediately commence to wind up the affairs of the Company in accordance with the provisions of this Agreement and the Delaware Limited Liability Company Act. In winding up the business and affairs of the Company, the Manager may take any and all actions that it determines in its sole discretion to be in the best interests of the members, including, but not limited to, any actions relating to (i) causing written notice by registered or certified mail of the Company's intention to dissolve to be mailed to each known creditor of and claimant against the Company, (ii) the payment, settlement or compromise of existing claims against the Company, (iii) the making of reasonable provisions for payment of contingent claims against the Company and (iv) the sale or disposition of the properties and assets of the Company. It is expressly understood and agreed that a reasonable time shall be allowed for the orderly liquidation of the assets of the Company and the satisfaction of claims against the Company so as to enable the Manager to minimize the losses that may result from a liquidation.

SECTION 11. **Transfer.** Upon the transfer of a member's limited liability company interest, the Manager shall provide notice of such transfer to each of the other members and shall amend Exhibit B hereto to reflect the transfer.

SECTION 12. **Admission of Additional Members.** The admission of additional members to the Company shall be accomplished by the amendment of this Agreement and, if required by the Delaware Limited Liability Company Act.

SECTION 13. **Tax Matters.** As of the date of this Agreement, the Company is a single-owner entity for United States federal tax purposes. So long as the company is a single-owner entity for federal income tax purposes, it is intended that for federal, state and local income tax purposes the Company be disregarded as an entity separate from its owner for income tax purposes and its activities be treated as a division of such owner. In the event that the Company has two or more members for federal income tax purposes, it is intended that (i) the Company shall be treated as a partnership for federal, state and local income tax purposes, and the members shall not take any position or make any election, in a tax return or otherwise,

inconsistent therewith and (ii) this Agreement will be amended to provide for appropriate book and tax allocations pursuant to subchapter K of the Internal Revenue Code of 1986, as amended.

SECTION 14. Exculpation and Indemnification.

(a) Neither the members, the Manager, the directors, their affiliates, nor any person who at any time shall serve, or shall have served, as a director, officer, employee or other agent of any member or any such affiliate and who, in such capacity, shall engage, or shall have engaged, in activities on behalf of the Company (a "Specified Agent") shall be liable, in damages or otherwise, to the Company or to any member for, and neither the Company nor any member shall take any action against such members, their affiliates or any Specified Agent, in respect of any loss which arises out of any acts or omissions performed or omitted by it pursuant to the authority granted by this Agreement, or otherwise performed on behalf of the Company, if such member, such affiliate, or such Specified Agent, as applicable, in good faith, determined that such course of conduct was in the best interests of the Company. Each member shall look solely to the assets of the Company for return of his, her or its investment, and if the property of the Company remaining after the discharge of the debts and liabilities of the Company is insufficient to return such investment, each member shall have no recourse against the Company, the other members or their affiliates, except as expressly provided herein; provided, however, that the foregoing shall not relieve any member of any fiduciary duty or duty of fair dealing to the other members that it may have under applicable law.

(b) In any threatened, pending or completed claim, action, suit or proceeding to which a member, any of such member's affiliates, or any Specified Agent was or is a party or is threatened to be made a party by reason of the fact that such person is or was engaged in activities on behalf of the Company, including without limitation any action or proceeding brought under the Securities Act of 1933, as amended, against a member, any of such member's affiliates, or any Specified Agent relating to the Company, the Company shall indemnify and hold harmless the members, any such affiliates, and any such Specified Agents against losses, damages, expenses (including attorneys' fees), judgments and amounts paid in settlement actually and reasonably incurred by or in connection with such claim, action, suit or proceeding; provided, however, that none of the members, any of their affiliates or any Specified Agent shall be indemnified for actions constituting bad faith, willful misconduct, or fraud. Any act or omission by any member, any of such member's affiliates or any Specified Agent, if done in reliance upon the opinion of independent legal counsel or public accountants selected with reasonable care by such member, such affiliate or such Specified Agent, as applicable, shall not constitute bad faith, willful misconduct, or fraud on the part of such member, affiliate or Specified Agent.

(c) The termination of any claim, action, suit or proceeding by judgment, order or settlement shall not, of itself, create a presumption that any act or failure to act by a member, such member's affiliate or any Specified Agent constituted bad faith, willful misconduct or fraud under this Agreement.

(d) Any such indemnification under this Section 14 shall be recoverable only out of the assets of the Company and not from the members.

SECTION 15. Miscellaneous.

(a) If the Manager, the Board or any officer of the Company executes a written consent or approval or otherwise takes an action on behalf of the Company prior to such person's appointment by or as set forth in this Agreement, then such consent, approval or action shall be effective and binding on the Company so long as the effective date or time of such consent, approval or action is after the date or time on which such person has been appointed in the manner set forth in this Agreement.

(b) A member's limited liability company interest may be evidenced by a certificate of limited liability company interest executed by the Manager or an officer in such form as the Manager may approve.

(c) The terms and provisions set forth in this Agreement may be amended, and compliance with any term or provision set forth herein may be waived, only by a written instrument executed by each member. No failure or delay on the part of any member in exercising any right, power or privilege granted hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege granted hereunder.

(d) This Agreement shall be binding upon and inure to the benefit of the members and their respective successors and assigns.

(e) This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to any conflicts of law principles that would require the application of the laws of any other jurisdiction.

(f) In the event that any provision contained in this Agreement shall be held to be invalid, illegal or unenforceable for any reason, the invalidity, illegality or unenforceability thereof shall not affect any other provision hereof.

(g) This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the party has caused this Agreement to be duly executed on the date first above written.

CCHC, LLC

s/ William Placke
By: William Placke, Esq.
Title: Assistant Corporate Secretary

EXHIBIT A

Directors

1. Jo Allen Patton
2. Neil Smit

EXHIBIT B

Member Name	**Units**
CCHC, LLC	217,585,246.1

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement") is entered into as of October 31, 2005 (the "Effective Date") by and between **Charter Communications, Inc.**, a Delaware corporation ("Charter"), and **Sue Ann R. Hamilton**, an individual (the "Executive"). For purposes of this Agreement, except with respect to Charter's obligations to Executive, the term "Company" includes Charter and all direct and indirect subsidiaries and controlled affiliates,

W I T N E S S E T H:

WHEREAS:

(1) Charter and Executive desire for Executive to be employed by Charter upon and subject to the terms and conditions set forth in this Agreement;

(2) If Executive is currently employed by the Company, then Executive is willing and desires to be employed by Charter under the terms of this Agreement in lieu of any prior terms and conditions applicable to such existing employment;

(3) Executive (whether a prospective or existing employee) is willing and desires to accept employment with Charter hereafter upon and subject to the terms of this Agreement; and

(4) Executive's agreement to the terms and conditions of Sections 6 and 7 are a material and essential condition of Executive's employment with Charter hereafter under the terms of this Agreement;

Now, Therefore, in consideration of the premises, and the promises and agreements set forth below, the parties, intending to be legally bound, agree as follows:

1. Employment Terms and Duties.

1.1 Employment. Charter hereby employs Executive in an executive capacity, and Executive hereby accepts employment by Charter as an executive, upon the terms and conditions set forth in this Agreement and under a relationship of trust and confidence.

1.2 Term. Executive's employment under this Agreement commences as of the Effective Date and unless earlier terminated pursuant to the provisions of Section 5 below, shall terminate on the second anniversary of the Effective Date (the "Term"). If Executive continues in Charter's employ thereafter, Executive's employment shall be on an at will basis, and only the provisions of Sections 6-7, and provisions directly related to their enforcement, shall continue to have any application or effect.

1.3 Duties. Executive is employed in an executive capacity to perform such executive, managerial and administrative duties as are assigned or delegated to Executive from time to time by the President and/or Chief Executive Officer or designee thereof. Executive will devote substantially all Executive's business time and attention to the business of the Company, will act in good faith to promote the success of the Company's business, and will cooperate fully with the Executive Officers of Charter and the Board of Directors of Charter in the advancement of the best interests of the Company. Executive will perform Executive's duties to the best of Executive's abilities using Executive's best efforts and in

accordance with applicable law, and will comply with and carry out all Company policies and codes of conduct. Executive will travel from time to time to the extent reasonably necessary to the performance of Executive's duties hereunder. Nothing in this Section 1.3, however, will prevent Executive from engaging in additional activities in connection with personal investments and community affairs that are not inconsistent with Executive's duties under this Agreement (which community affairs shall be disclosed to and subject to approval by the President and/or Chief Executive Officer and/or Chief Operating Officer and/or Chairman of the Board of Directors); provided such activities do not create the appearance of or an actual conflict of interest and do not violate any other provisions of this Agreement.

1.4 Service for Subsidiaries And Affiliates; Indemnification. Executive may be nominated and appointed to one or more boards of directors and to one or more offices of subsidiaries and affiliates of Charter during Executive's employment. While serving as a director or as an officer of any such subsidiary or affiliate, or performing any duties for any such subsidiary or affiliate, Executive will serve and fulfill all duties without additional compensation. Executive will be covered in such capacities by any directors and officers insurance policy Charter may have in place from time to time and by the Company's indemnification policies as may be in effect from time to time, as applicable.

2. Compensation.

2.1 Basic Compensation. Starting the Effective Date, Executive will be paid a base salary at an annual rate of $371,800 (the "Salary") during Executive's employment. The Salary will be payable in equal periodic installments according to Charter's customary payroll practices, but no less frequently than monthly. The Salary may be increased during the Term of Executive's employment by the "Board" (the term "Board" meaning, whenever used herein, the Board of Directors of Charter or the Compensation Committee or other designated committee of the Board of Directors of Charter), but shall not be reduced below the rate set forth above without Executive's written consent. When increased or decreased in accordance with the terms of this Agreement, the new minimum base annual salary shall be deemed Executive's "Salary" for all purposes of this Agreement.

2.2 Incentive Compensation. During Executive's employment, Executive shall be entitled to participate in an incentive bonus program established by the Board to measure and reward management for the financial performance of Charter that applies to senior executive officers of Charter generally, excluding any specific incentive or bonus plan that may be developed by the Board for the President and/or Chief Executive Officer and/or Chief Operating Officer and/or another Executive Officer of Charter, and (unless specifically designated as a participant in such plan by the Board, in their sole discretion) excluding participation in the Charter Communications, Inc. 2005 Cash Award Plan. In all cases, the payment of any incentive compensation shall be at the discretion of the Board, which may consider any factors it deems relevant, including the assessment of the performance of Executive and Charter during the relevant time period. The terms of any incentive compensation or bonus plan and any payouts or awards thereunder shall be established and determined from time to time by the Board in its discretion. In no event, however, shall payment of any such amount be made later than two and one-half months after the end of the calendar year in which all conditions to payment are satisfied and the amount otherwise was determined to be payable.

2.3. Equity Awards.

(a) Restricted Stock. During Executive's employment, Executive shall be eligible to receive awards of restricted shares of Charter common stock subject to the terms of Charter's restricted stock plan and restricted stock agreement in the same manner as other similarly situated officers generally. The amount of such awards shall be determined by and at the discretion of the Board and may vary from officer to officer.

(b) Stock Options. During Executive's employment, Executive shall be eligible to receive awards of option rights to acquire shares of Charter common stock subject to the terms of Charter's stock option plan and normal stock option agreement in the same manner as other similarly situated officers. The amount of such awards shall be determined by and at the discretion of the Board and may vary from officer to officer.

2.4 Welfare Benefits. During Executive's employment, Executive will be permitted to participate in such pension, profit sharing, bonus, life insurance, disability insurance, hospitalization, major medical, directors and officers indemnification or insurance policy, and other employee benefit plans of Charter that may be in effect from time to time generally for other senior executives of Charter having the same pay grade as Executive, all to the extent Executive is eligible under the terms of such plans (collectively, the "Benefits"). The Benefits shall be subject to change and discontinuation from time to time as the same may be changed or discontinued as to Charter employees in the same pay grade as Executive and/or Company employees generally.

2.5. Business Expenses and Perquisites. During Executive's employment, Charter will promptly reimburse Executive (or pay directly to the supplier of services) for all reasonable and necessary out-of-pocket expenses actually incurred by Executive in connection with the performance of Executive's duties hereunder, (including without limitation, appropriate business entertainment activities, expenses incurred by Executive in attending approved conventions, seminars, and other business meetings, and promotional activities); in each case subject to Executive's furnishing Charter with evidence reasonably satisfactory to Charter (such as receipts) substantiating the claimed expenditures (such expenses being commensurate with the office and position of Executive and within budgetary limitations), subject to compliance with the terms of any expense reimbursement policy from time to time in effect (including with respect to pre-approvals), and subject to Executive providing Charter with such other information and documentation as may be necessary or required by Charter to deduct such expenses for purposes of the United States Internal Revenue Code of 1986, as amended (the "Code"). All such payments will be made no later than two and one-half months after the end of the calendar year in which Executive became entitled to receive such payment.

3. Facilities and Expenses. During Executive's employment, Charter will furnish Executive office space, equipment, supplies, and such other facilities and personnel as Charter deems necessary or appropriate for the performance of Executive's duties under this Agreement. Charter will pay Executive's dues in such professional organizations as the President and/or Chief Executive Officer and/or Chief Operating Officer deems appropriate.

4. Vacations and Holidays. Executive will be entitled to paid vacation in accordance with the vacation policies of Charter in effect for its executive officers from time to time. Vacation must be taken by Executive at such time or times as approved by the President and/or Chief Executive Officer and/or Chief Operating Officer and/or the designee thereof. Executive will also be entitled to the paid holidays as and to

the extent set forth in Charter's policies as the same may change from time to time for employees generally.

5. Termination.

5.1. Events of Termination. Executive's employment, Salary, Benefits, and Incentive Compensation, and any and all other rights of Executive under this Agreement (excluding accrued rights and benefits), will terminate prior to the expiration of the Term specified in Section 1.2:

(a) upon the death of Executive;
(b) upon the Disability of Executive (as defined in Section 5.2) immediately upon notice from either party to the other;
(c) for Cause (as defined in Section 5.3), immediately upon notice from Charter to Executive, or at such later time as such notice may specify;
(d) without Cause (as defined in Section 5.3), immediately upon notice from Charter to Executive, or at such later time as such notice may specify;
(e) for Good Reason (as defined in Section 5.4) upon not less than thirty days' (nor more than ninety (90) days) prior notice from Executive to Charter; or
(f) without Good Reason, immediately upon notice from Executive to Charter.

5.2. Definition of "Disability." For purposes of Section 5.1, and this Agreement, Executive will be deemed to have a "Disability" if, due to illness, injury or a physical or medically recognized mental condition, (a) Executive is unable to perform Executive's duties under this Agreement with reasonable accommodation for 120 consecutive days, or 180 days during any twelve month period, as determined in accordance with this Section 5.2, or (b) Executive is considered disabled for purposes of receiving / qualifying for long term disability benefits under any group long term disability insurance plan or policy offered by Charter in which Executive participates. The Disability of Executive will be determined by a medical doctor selected by written agreement of Charter and Executive upon the request of either party by notice to the other, or (in the case of and with respect to any applicable long term disability insurance policy or plan) will be determined according to the terms of the applicable long term disability insurance policy / plan. If Charter and Executive cannot agree on the selection of a medical doctor, each of them will select a medical doctor and the two medical doctors will select a third medical doctor who will determine whether Executive has a Disability. The determination of the medical doctor selected under this Section 5.2 will be binding on both parties. Executive must submit to a reasonable number of examinations by the medical doctor making the determination of Disability under this Section 5.2, and to other specialists designated by such medical doctor, and Executive hereby authorizes the disclosure and release to Charter of such determination and all supporting medical records. If Executive is not legally competent, Executive's legal guardian or duly authorized attorney-in-fact will act in Executive's stead under this Section 5.2 for the purposes of submitting Executive to the examinations, and providing the authorization of disclosure, required under this Section 5.2.

5.3. Definition of "Cause." For purposes of Section 5.1, and this Agreement, the term "Cause" means:

(a) Executive's breach of a material obligation or representation under this Agreement or breach of any fiduciary duty to Charter; or any act of fraud or knowing misrepresentation or concealment on behalf of or to Charter or the Board of Directors;

(b) Executive's failure to adhere in any material respect to (i) any Company Code of Conduct in effect from time to time and applicable to officers and/or employees generally, or (ii) any written Company policy, if such policy is material to the effective performance by Executive of the Executive's duties under this Agreement, and if Executive has been given a reasonable opportunity to cure this failure to comply within a period of time which is reasonable under the circumstances but not more than the thirty (30) day period after written notice of such failure is provided to Executive; provided that if Executive cures this failure to comply with such a policy and then fails again to comply with the same policy, no further opportunity to cure that failure shall be required;

(c) Executive's failure or refusal to perform any lawful duty or assignment; or the appropriation (or attempted appropriation) of a material business opportunity of the Company, including attempting to secure or securing any personal profit in connection with any transaction entered into on behalf of the Company (other than through stock options, bonuses and other incentives provided by Charter to Executive);

(d) Executive's misappropriation (or attempted misappropriation) of any of the Company's funds or property; or any breach of fiduciary duty to the Company or any plan or program sponsored by the Company;

(e) Executive's conviction of, the entering of a guilty plea or plea of *nolo contendere* or no contest (or the equivalent), or entering into any pretrial diversion program or agreement or suspended imposition of sentence, with respect to either a felony or a crime that adversely affects the Company or its reputation; or the institution of criminal charges against Executive, which are not dismissed within sixty (60) days after institution, for fraud, embezzlement, any offense involving dishonesty or constituting a breach of trust, or any felony (including without limitation a crime in any jurisdiction other than the United States or any state thereof in which Company does business which would constitute such a felony under the laws of the United States or any state thereof);

(f) Executive's admission of liability of, or finding of liability for, the violation of any "Securities Laws." As used herein, the term "Securities Laws" means any federal or state law, rule or regulation governing generally the issuance or exchange of securities, including without limitation the Securities Act of 1933, the Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder;

(g) conduct by Executive in connection with Executive's employment that constitutes gross neglect of any duty or responsibility, willful misconduct, or recklessness;

(h) Executive's illegal possession or use of any controlled substance, or excessive use of alcohol at a work function, in connection with Executive's duties, or on Company premises; "excessive" meaning either repeated unprofessional use or any single event of consumption giving rise to significant intoxication or unprofessional behavior; or

(i) Executive's material violation of any federal, state or local law that may result in a direct or indirect financial loss to the Company or damage the Company's reputation.

If Executive commits or is charged with committing any offense of the character or type specified in Section 5.3 (e), (f) or (i) above, then Charter at its option may suspend the Executive with or without pay. If the Executive subsequently is convicted of, pleads guilty or *nolo contendere* (or equivalent plea) to, or enters into any type of suspended imposition of sentence or pretrial diversion program with respect to, any such offense (or any matter that gave rise to the suspension), the Executive shall immediately repay any and all other compensation or other amounts paid hereunder from the date of the suspension, and (x) (unless otherwise precluded by or because of the terms of the applicable plan) any of the restricted stock or options that vested after the date of such suspension shall forthwith be cancelled, and (y) if any such stock options, the shares subject thereto, or the restricted shares that vested during such time period have theretofore been sold by Executive, the cash value thereof shall be repaid to Charter immediately.

5.4. Definition of "Good Reason." For purposes of Section 5.1, and this Agreement, the term "Good Reason" shall mean (a) any reduction in Executive's Salary except as permitted hereunder, or (b) instruction to relocate Executive's primary workplace to a location that is more than fifty (50) miles from the office where Executive is initially assigned to work as Executive's principal office, or outside the greater metropolitan area where such office is located, whichever is greater; in each case if Executive objects in writing within 10 days, unless Charter retracts the reduction in Salary or instruction to relocate within 30 days following Charter's receipt of timely written objection from Executive.

5.5. Termination Pay. Effective upon the termination of Executive's employment, Charter will be obligated to pay Executive (or, in the event of Executive's death, the Executive's designated beneficiary as defined below) only such compensation as is provided in this Section 5.5 and in Section 4, except to the extent otherwise provided for in any Charter stock incentive or stock option plan, or any Charter cash award plan (including, among others, the 2005 Executive Cash Award Plan), approved by the Board. For purposes of this Section 5.5, Executive's designated beneficiary will be such individual beneficiary or trust, located at such address, as Executive may designate by notice to Charter from time to time or, if Executive fails to give notice to Charter of such a beneficiary, Executive's estate. Notwithstanding the preceding sentence, Charter will have no duty, in any circumstances, to attempt to open an estate on behalf of Executive, to determine whether any beneficiary designated by Executive is alive or to ascertain the address of any such beneficiary, to determine the existence of any trust, to determine whether any person purporting to act as Executive's personal representative (or the trustee of a trust established by Executive) is duly authorized to act in that capacity, or to locate or attempt to locate any beneficiary, personal representative, or trustee.

5.5.1. **Termination by Executive for Good Reason or by Charter without Cause.** If prior to expiration of the Term, Executive terminates Executive's employment for Good Reason, or Charter terminates Executive's employment other than for Cause (but not because of the Disability or death of Executive), Executive will be entitled to receive on and subject to the conditions of this Agreement:

(a) Executive's then-existing Salary for the remainder of the Term specified in Section 1.2, or a period of twelve (12) months, whichever is greater. Subject to the provisions of Section 5.6, this amount (the "Separation Payment") will be paid over the period of time used to calculate the Separation Payment (i.e., the balance of the Term at the time employment terminated or twelve (12) months, whichever was greater) in equal bi weekly instalments on the Company's regular pay days for executives,

and commencing with the first payday after all conditions in Section 5.6 are satisfied; provided that, to the extent required to avoid the tax consequences of Section 409A of the Code, the first payment shall cover all payments scheduled to be made to Executive during the first six (6) months after the date Executive's employment terminates, and the first such payment shall be delayed until the day after the six (6) month anniversary of the date Executive's employment terminates.

(b) the amount of Executive's incentive compensation for the year during which the termination is effective (prorated for the period from the beginning of the year in question until the effective date of termination) if and to the extent a bonus otherwise is payable under the terms of the applicable incentive bonus plan as determined by the Board, based upon results for the entire year. This amount will be payable as and when incentive compensation under such plan for the year in question is paid to other participants generally but not later than two and one-half months after the end of the calendar year in which the termination is effective. The Board shall determine the amount of any such bonus and/or the extent to which any such bonus has been earned under the plan, in its sole discretion, considering results for the entire year and not just the period of Executive's employment;

(c) all reasonable expenses Executive has incurred in the pursuit of Executive's duties under this Agreement through the date of termination which are payable under and in accordance with this Agreement;

(d) a lump sum payment (net after deduction of taxes and other required withholdings) equal to (i) the greater of the number of full months remaining in the Term at the time Executive's employment terminated, or twelve (12), times (ii) the monthly cost, at the time Executive's employment terminated, for Executive to receive under COBRA the paid coverage for health, dental and vision benefits then being provided for Executive at the Company's cost at the time Executive's employment terminated. This amount will be paid at the same time the payment is made under Section 5.5.1 (a), and will not take into account future increases in costs during the applicable time period; and

(e) to the extent authorized and permitted by the terms of the applicable plan, any stock options and restricted stock previously awarded to Executive will continue to vest under such plan for the period of time immediately following termination of Executive's employment that is equal to the period of time used to calculate the payment under Section 5.5.1 (a). This period of time qualifies, in the case of a payment under Section 5.5.1, as the period of time during which Executive is receiving severance for purposes of Section 5.4 of the Charter Communications, Inc. 2001 Stock Incentive Plan, as amended, and any applicable stock option or restricted stock agreement signed pursuant to a grant under such plan (and the payment specified in Section 5.5.1 (a) above qualifies as "severance" for purposes of Section 5.4 of the Charter Communications, Inc. 2001 Stock Incentive Plan.

Executive shall be entitled to no other compensation or benefits except as expressly provided in this paragraph.

5.5.2. Termination by Executive without Good Reason or by Charter for Cause. If prior to the expiration of the Term or thereafter, Executive terminates Executive's employment prior to expiration of the Term without Good Reason or if Charter terminates this Agreement for Cause, Executive will be entitled to receive Executive's then-existing Salary only through the date such termination is effective and will be reimbursed for all reasonable expenses Executive has incurred in the pursuit of Executive's duties under this Agreement through the date of termination which are payable under and in accordance with this

Agreement. Any unvested options and shares of restricted stock shall terminate as of the date of termination unless otherwise provided for in any applicable plan or award agreement. Executive shall be entitled to no other compensation or benefits except as expressly provided in this paragraph.

5.5.3.Termination upon Disability. If prior to the expiration of the Term, Executive's employment is terminated by either party as a result of Executive's Disability, as determined under Section 5.2, Charter will pay Executive his or her then-existing Salary through the remainder of the calendar month during which such termination is Effective and for the lesser of (i) six consecutive months thereafter, or (ii) the date on which any disability insurance benefits commence under any disability insurance coverage furnished by Charter to Executive. Any unvested options and shares of restricted stock shall terminate upon a termination for Disability unless otherwise provided for in any applicable plan or award agreement. Executive shall be entitled to no other compensation or benefits except as expressly provided in this paragraph.

5.5.4. Termination upon Death. If Executive's employment terminates because of Executive's death, Executive will be entitled to receive Executive's then-existing Salary through the end of the calendar month in which the death occurs and shall be paid for all reasonable expenses Executive has incurred in the pursuit of Executive's duties under this Agreement through the date of termination which are payable under and in accordance with this Agreement. Any unvested options and shares of restricted stock shall terminate upon Death unless otherwise provided for in any applicable plan or award agreement. Executive shall be entitled to no other compensation or benefits except as expressly provided in this paragraph.

5.5.5.Benefits. Except as otherwise required by law, Executive's accrual of, or participation in plans providing for, the Benefits will cease at the effective date of the termination of employment, and Executive will be entitled to accrued benefits pursuant to such plans only as provided in such plans.

5.6. Conditions To Payments. To be eligible to receive (and continue to receive) and retain the payments and benefits described in Sections 5.5.1 (a) - (e), Executive must comply with the provisions of Sections 6 and 7 and first execute and deliver to Charter, and comply with, an agreement, in form and substance satisfactory to Charter, effectively releasing and giving up all claims Executive may have against Charter or any of its subsidiaries or affiliates (and each of their respective controlling shareholders, employees, directors, officers, plans, fiduciaries, insurers and agents) arising out of or based upon any facts or conduct occurring prior to that date. The agreement will be prepared by Charter, will be based upon the standard form (if any) then being utilized by Charter for executive separations when severance is being paid, and will be provided to Executive at the time Executive's employment is terminated or as soon as administratively practicable thereafter (not to exceed five (5) business days). The agreement will require Executive to consult with Company representatives, and voluntarily appear as a witness for trial or deposition (and to prepare for any such testimony) in connection with, any claim which may be asserted by or against Charter, any investigation or administrative proceeding, any matter relating to a franchise, or any business matter concerning Charter or any of its transactions or operations. A copy of the current standard form being used by Charter for executive separations when severance is being paid has been provided to Executive or is attached to this Agreement as Exhibit 1. It is understood that the final document may not contain provisions specific to the release of a federal age discrimination claim if Executive is not at least forty (40) years of age, and may be changed as Charter's chief legal counsel considers necessary and appropriate to enforce the same, including provisions to comply with changes in applicable laws and recent court decisions. Payments under and/or benefits provided by Sections 5.5.1 (a) - (e) will not be made unless and until Executive executes and delivers that agreement to Charter within twenty-one (21) days

after delivery of the document (or such lesser time as Charter's chief legal counsel may specify in the document) and all conditions to the effectiveness of that agreement and the releases contemplated thereby have been satisfied (including without limitation the expiration of any applicable revocation period without revoking acceptance). It is understood and agreed that if a form of agreement called for by this Section 5.6 is not presented to Executive within forty-five (45) days after Executive's employment terminated, then the requirement that Executive executes and delivers that agreement will be deemed to be satisfied.

6. Non-Disclosure Covenant; Employee Inventions.

6.1. Acknowledgments by Executive. Executive acknowledges that (a) during the Employment Period and as a part of Executive's employment, Executive will be afforded access to Confidential Information (as defined below); (b) public disclosure of such Confidential Information could have an adverse effect on the Company and its business; (c) because Executive possesses substantial technical expertise and skill with respect to the Company's business, Charter desires to obtain exclusive ownership of each invention by Executive, and Charter will be at a substantial competitive disadvantage if it fails to acquire exclusive ownership of each invention by Executive; and (d) the provisions of this Section 6 are reasonable and necessary to prevent the improper use or disclosure of Confidential Information and to provide Charter with exclusive ownership of all inventions and works made or created by Executive.

6.2. Confidential Information. (a) The Executive acknowledges that during the Term Executive will have access to and may obtain, develop, or learn of Confidential Information (as defined below) under and pursuant to a relationship of trust and confidence. The Executive shall hold such Confidential Information in strictest confidence and never at any time, during or after Executive's employment terminates, directly or indirectly use for Executive's own benefit or otherwise (except in connection with the performance of any duties as an employee hereunder) any Confidential Information, or divulge, reveal, disclose or communicate any Confidential Information to any unauthorized person or entity in any manner whatsoever.

As used in this Agreement, the term "Confidential Information" shall include, but not be limited to, any of the following information relating to Company learned by the Executive during the Term or as a result of Executive's employment with Charter:

(a) information regarding the Company's business proposals, manner of the Company's operations, and methods of selling or pricing any products or services;

(b) the identity of persons or entities actually conducting or considering conducting business with the Company, and any information in any form relating to such persons or entities and their relationship or dealings with the Company or its affiliates;

(c) any trade secret or confidential information of or concerning any business operation or business relationship;

(d) computer databases, software programs and information relating to the nature of the hardware or software and how said hardware or software are used in combination or alone;

(e) information concerning Company personnel, confidential financial information, customer or customer prospect information, information concerning subscribers, subscriber and customer

lists and data, methods and formulas for estimating costs and setting prices, engineering design standards, testing procedures, research results (such as marketing surveys, programming trials or product trials), cost data (such as billing, equipment and programming cost projection models), compensation information and models, business or marketing plans or strategies, deal or business terms, budgets, vendor names, programming operations, product names, information on proposed acquisitions or dispositions, actual performance compared to budgeted performance, long-range plans, internal financial information (including but not limited to financial and operating results for certain offices, divisions, departments, and key market areas that are not disclosed to the public in such form), results of internal analyses, computer programs and programming information, techniques and designs, and trade secrets;

(f) information concerning the Company's employees, officers, directors and shareholders; and

(g) any other trade secret or information of a confidential or proprietary nature.

Executive shall not make or use any notes or memoranda relating to any Confidential Information except for the benefit of the Company, and will, at Charter's request, return each original and every copy of any and all notes, memoranda, correspondence, diagrams or other records, in written or other form, that Executive may at any time have within his possession or control that contain any Confidential Information.

Notwithstanding the foregoing, Confidential Information shall not include information which has come within the public domain through no fault of or action by Executive or which has become rightfully available to Executive on a non-confidential basis from any third party, the disclosure of which to Executive does not violate any contractual or legal obligation such third party has to the Company or its affiliates with respect to such Confidential Information. None of the foregoing obligations and restrictions applies to any part of the Confidential Information that Executive demonstrates was or became generally available to the public other than as a result of a disclosure by Executive or by any other person bound by a confidentiality obligation to the Company in respect of such Confidential Information.

Executive will not remove from the Company's premises (except to the extent such removal is for purposes of the performance of Executive's duties at home or while traveling, or except as otherwise specifically authorized by Charter) any Company document, record, notebook, plan, model, component, device, or computer software or code, whether embodied in a disk or in any other form (collectively, the "Proprietary Items"). Executive recognizes that, as between Charter and Executive, all of the Proprietary Items, whether or not developed by Executive, are the exclusive property of the Company. Upon termination of Executive's employment by either party, or upon the request of Charter during the Term, Executive will return to Charter all of the Proprietary Items in Executive's possession or subject to Executive's control, and Executive shall not retain any copies, abstracts, sketches, or other physical embodiment of any of the Proprietary Items.

6.3. Proprietary Developments.

6.3.1. Any and all inventions, products, discoveries, improvements, processes, methods, computer software programs, models, techniques, or formulae (collectively, hereinafter referred to as "Developments"), made, conceived, developed, or created by Executive (alone or in conjunction with others, during regular work hours or otherwise) during Executive's employment, which may be directly or indirectly useful in, or relate to, the business conducted or to be conducted by the Company will be

promptly disclosed by Executive to Charter and shall be Charter's exclusive property. The term "Developments" shall not be deemed to include inventions, products, discoveries, improvements, processes, methods, computer software programs, models, techniques, or formulae which were in the possession of Executive prior to the Term. Executive hereby transfers and assigns to Charter all proprietary rights which Executive may have or acquire in any Developments and Executive waives any other special right which the Executive may have or accrue therein. Executive will execute any documents and to take any actions that may be required, in the reasonable determination of Charter's counsel, to effect and confirm such assignment, transfer and waiver, to direct the issuance of patents, trademarks, or copyrights to Charter with respect to such Developments as are to be Charter's exclusive property or to vest in Charter title to such Developments; provided, however, that the expense of securing any patent, trademark or copyright shall be borne by Charter. The parties agree that Developments shall constitute Confidential Information.

6.3.2. **"Work Made for Hire."** Any work performed by Executive during Executive's employment with Charter shall be considered a "Work Made for Hire" as defined in the U.S. Copyright laws, and shall be owned by and for the express benefit of Charter. In the event it should be established that such work does not qualify as a Work Made for Hire, Executive agrees to and does hereby assign to Charter all of Executive's right, title, and interest in such work product including, but not limited to, all copyrights and other proprietary rights.

6.3.3. **Cooperation.** Both during the Term and thereafter, Executive shall fully cooperate with Company in the protection and enforcement of any intellectual property rights that relate to services performed by Executive for Company, whether under the terms of this Agreement or prior to the execution of this Agreement. This shall include without limitation executing, acknowledging, and delivering to Company all documents or papers that may be necessary to enable Company to publish or protect such intellectual property rights. Charter shall bear all costs in connection with Executive's compliance with the terms of this section.

7. Non-Competition and Non-Interference.

7.1. **Acknowledgments by Executive.** Executive acknowledges and agrees that: (a) the services to be performed by Executive under this Agreement are of a special, unique, unusual, extraordinary, and intellectual character; (b) the Company competes with other businesses that are or could be located in any part of the United States; and (c) the provisions of this Section 7 are reasonable and necessary to protect the Company's business and lawful protectable interests, and do not impair Executive's ability to earn a living.

7.2. Covenants of Executive. For purposes of this Section 7.2, the term "Restricted Period" shall mean the period commencing on the Effective Date and terminating on the later of (i) the second anniversary (or, in the case of Section 7.2 (a), the first anniversary), of the date Executive's employment terminated, or (ii) the end of the Term. In addition, the "Restricted Period" also shall encompass any period of time from whichever anniversary date is applicable until and ending on the last date Executive is to be paid any payment under Section 5.5. In consideration of the acknowledgments by Executive, and in consideration of the compensation and benefits to be paid or provided to Executive by Charter, Executive covenants and agrees that during the Restricted Period, the Executive will not, directly or indirectly, for Executive's own benefit or for the benefit of any other person or entity other than the Company:

(a) in the United States or any other country or territory where the Company then conducts its business: engage in, operate, finance, control or be associated with a "Competitive Business" (defined below); serve as an officer or director of a Competitive Business (regardless of where Executive then lives or conducts such activities); perform any work as an employee, consultant, contractor, or in any other capacity with, a Competitive Business; directly or indirectly invest or own any interest in a Competitive Business (regardless of where Executive then lives or conducts such activities); or directly or indirectly provide any services or advice to a any business, person or entity who or which is engaged in a Competitive Business. A "Competitive Business" is any business, person or entity who or which, anywhere within that part of the United States, or that part of any other country or territory, where the Company conducts business: owns or operates a cable television system, provides direct television or any satellite-based, telephone-based internet based or wireless system for delivering television, music or other entertainment programming, provides telephony services using cable connection, provides data or internet service, or offers, provides, markets or sells any service or product of a type that is offered or marketed by or directly competitive with a service or product offered or marketed by the Company at the time Executive's employment terminates; or who or which in any case is preparing or planning to do so. The provisions of this Section 7.2(a) shall not be construed or applied: (i) so as to prohibit Executive from owning not more than one percent (1%) of any class of securities that is publicly traded on any national or regional securities exchange, as long as Executive's investment is passive and Executive does not lend or provide any services or advice to such business or otherwise violate the terms of this Agreement in connection with such investment; (ii) so as to prohibit Executive from working as an employee in the cable television business for a company/business that owns or operates cable television franchises (by way of current example, Cox or Comcast), provided that the company/business is not providing cable services in any political subdivision/ geographic area where the Company has a franchise or provides cable services and the company/business is otherwise not engaged in a Competitive Business, and provided Executive does not otherwise violate the terms of this Agreement in connection with that work; and (iii) so as to prohibit Executive from engaging in the authorized practice of law (it being understood that this does not relieve Executive, or constitute a waiver by Charter, of any ethical obligation concerning the representation of any client in a matter adverse to Charter or one of its subsidiaries or affiliates).

(b) contact, solicit or provide any service to any person or entity that was a customer franchisee, or prospective customer of the Company at any time during Executive's employment (a prospective customer being one to whom the Company had made a business proposal within twelve (12) months prior to the time Executive's employment terminated); or directly solicit or encourage any customer, franchisee or subscriber of the Company to purchase any service or product of a type offered by or competitive with any product or service provided by the Company, or to reduce the amount or level of business purchased by such customer, franchisee or subscriber from the Company; or take away or

procure for the benefit of any competitor of the Company, any business of a type provided by or competitive with a product or service offered by the Company; or

(c) solicit or recruit for employment, any person or persons who are employed by Charter or any of its subsidiaries or affiliates, or who were so employed at any time within a period of six (6) months immediately prior to the date Executive's employment terminated, or otherwise interfere with the relationship between any such person and the Company; nor will the Executive assist anyone else in recruiting any such employee to work for another company or business or discuss with any such person his or her leaving the employ of the Company or engaging in a business activity in competition with the Company. This provision shall not apply to secretarial, clerical, custodial or maintenance employees;

(d) perform any work as an employee, consultant, contractor, or in any other capacity with, directly or indirectly invest or own any interest in, serve as an officer, director or advisor or consultant to, or directly or indirectly provide any services or advice to Cequel III (or any of its affiliates, or any entity invested in or owned or controlled by Cequel III or any of its principals, excluding publicly traded corporations in which such person(s) or entities own or control less than a 5% interest), or any company or business in which Cequel III or any of Cequel III's principals own an interest (other than a publicly traded corporation in which such person(s) and entities own or control less than a 5% interest). It is understood that the principals of Cequel III are Jerry Kent and Howard Wood. The provisions of this Section 7.2(d) shall not be construed or applied so as to prohibit Executive from engaging in the authorized practice of law (it being understood that this does not relieve Executive, or constitute a waiver by Charter, of any ethical obligation concerning the representation of any client in a matter adverse to Charter or one of its subsidiaries or affiliates); or

(e) disparage or criticize, or make any derogatory or critical statement about, Charter or any of its subsidiaries or affiliates, or any of their respective present or former directors, officers, employees, or agents.

If Executive violates any covenant contained in this Section 7.2, then the term of the covenants in this Section shall be extended by the period of time Executive was in violation of the same.

The covenants contained in this Section shall be interpreted and applied in a manner which complies with Missouri Supreme Court Rules of Professional Conduct Rule 4-5.6 and which does not in any way violate the Missouri Supreme Court Rules of Professional Conduct, understanding Executive is a licensed attorney.

7.3. Provisions Pertaining to the Covenants. Executive recognizes that the existing business of the Company extends to various locations and areas throughout the United States and may extend hereafter to other countries and territories and agrees that the scope of Section 7.2 shall extend to any part of the United States, and any other country or territory, where the Company hereafter operates or conducts business. It is agreed that the Executive's services hereunder are special, unique, unusual and extraordinary giving them peculiar value, the loss of which cannot be reasonably or adequately compensated for by damages, and in the event of the Executive's breach of this Section, Charter shall be entitled to equitable relief by way of injunction or otherwise. If any provision of Section 6 or 7 of this Agreement is deemed to be unenforceable by a court (whether because of the subject matter of the provision, the duration of a restriction, the geographic or other scope of a restriction or otherwise), that provision shall not be rendered void but the parties instead agree that the court shall amend and alter such

provision to such lesser degree, time, scope, extent and/or territory as will grant Charter the maximum restriction on Executive's activities permitted by applicable law in such circumstances. Charter's failure to exercise its rights to enforce the provisions of this Agreement shall not be affected by the existence or non existence of any other similar agreement for anyone else employed by Charter or by Charter's failure to exercise any of its rights under any such agreement.

7.4. **Notices**. In order to preserve Charter's rights under this Agreement, Charter is authorized to advise any potential or future employer, any third party with whom Executive may become employed or enter into any business or contractual relationship with, and any third party whom Executive may contact for any such purpose, of the existence of this Agreement and its terms, and Charter shall not be liable for doing so.

7.5. **Injunctive Relief and Additional Remedy**. Executive acknowledges that the injury that would be suffered by Charter as a result of a breach of the provisions of this Agreement (including any provision of Sections 6 and 7) would be irreparable and that an award of monetary damages to Charter for such a breach would be an inadequate remedy. Consequently, Charter will have the right, in addition to any other rights it may have, to obtain injunctive relief to restrain any breach or threatened breach or otherwise to specifically enforce any provision of this Agreement, and Charter will not be obligated to post bond or other security in seeking such relief. Without limiting Charter's rights under this Section or any other remedies of Charter, if Executive breaches any of the provisions of Section 6 or 7, Charter will have the right to cease making any payments otherwise due to Executive under this Agreement.

7.6. **Covenants of Sections 6 and 7 are Essential and Independent Covenants.** The covenants by Executive in Sections 6 and 7 are essential elements of this Agreement, and without Executive's agreement to comply with such covenants, Charter would not have entered into this Agreement or employed Executive. Charter and Executive have independently consulted their respective counsel and have been advised in all respects concerning the reasonableness and propriety of such covenants, with specific regard to the nature of the business conducted by Charter. Executive's covenants in Sections 6 and 7 are independent covenants and the existence of any claim by Executive against Charter, under this Agreement or otherwise, will not excuse Executive's breach of any covenant in Section 6 or 7. If Executive's employment hereunder is terminated, this Agreement will continue in full force and effect as is necessary or appropriate to enforce the covenants and agreements of Executive in Sections 6 and 7. Charter's right to enforce the covenants in Sections 6 and 7 shall not be adversely affected or limited by the Company's failure to have an agreement with another employee with provisions at least as restrictive as those contained in Sections 6 and 7, or by the Company's failure or inability to enforce (or agreement not to enforce) in full the provisions of any other or similar agreement containing one or more restrictions of the type specified in Sections 6 or 7 of this Agreement.

8. **Executive's Representations And Further Agreements.**

8.1. Executive represents, warrants and covenants to Charter that:

(a) Neither the execution and delivery of this Agreement by Executive nor the performance of any of Executive's duties hereunder in accordance with the Agreement will violate, conflict with or result in the breach of any order, judgment, employment contract, agreement not to compete or other agreement or arrangement to which Executive is a party or is subject;

(b) On or prior to the date hereof, Executive has furnished to Charter true and complete copies of all judgments, orders, written employment contracts, agreements not to compete, and other agreements or arrangements restricting Executive's employment or business pursuits, that have current application to Executive;

(c) Executive is knowledgeable and sophisticated as to business matters, including the subject matter of this Agreement, and that prior to assenting to the terms of this Agreement, or giving the representations and warranties herein, he has been given a reasonable time to review it and has consulted with counsel of his choice; and

(d) Executive will not knowingly breach or violate any provision of any law or regulations or any agreement to which Executive may be bound.

(e) Executive has not provided, nor been requested by Charter to provide, to Charter, any confidential or non public document or information of a former employer that constitutes or contains any protected trade secret, and will not use any protected trade secrets in connection with the Executive's employment.

8.2. During and subsequent to expiration of the Term, the Executive will cooperate with Charter, and furnish any and all complete and truthful information, testimony or affidavits in connection with any matter that arose during the Executive's employment, that in any way relates to the business or operations of the Company or any of its parent or subsidiary corporations or affiliates, or of which the Executive may have any knowledge or involvement; and will consult with and provide information to Charter and its representatives concerning such matters. Subsequent to the Term, the parties will make their best efforts to have such cooperation performed at reasonable times and places and in a manner as not to unreasonably interfere with any other employment in which Executive may then be engaged. Nothing in this Agreement shall be construed or interpreted as requiring the Executive to provide any testimony, sworn statement or declaration that is not complete and truthful. If Charter requires the Executive to travel outside the metropolitan area in the United States where the Executive then resides to provide any testimony or otherwise provide any such assistance, then Charter will reimburse the Executive for any reasonable, ordinary and necessary travel and lodging expenses incurred by Executive to do so provided the Executive submits all documentation required under Charter's standard travel expense reimbursement policies and as otherwise may be required to satisfy any requirements under applicable tax laws for Charter to deduct those expenses. Nothing in this Agreement shall be construed or interpreted as requiring the Executive to provide any testimony or affidavit that is not complete and truthful.

9. General Provisions.

9.1. Binding Effect; Delegation of Duties Prohibited. Neither this Agreement nor any rights or obligations of Charter under this Agreement may be assigned or transferred by Charter except that such Agreement, rights and/or obligations may be assigned or transferred pursuant to a merger or consolidation, or the sale or liquidation of all or substantially all of the assets of Charter, provided that the assignee or transferee is the successor to all or substantially all of the assets of Charter and such assignee or transferee assumes the liabilities, obligations and duties of Charter, as contained in this Agreement, either contractually or as a matter of law. The duties and covenants of Executive under this Agreement, being personal, may not be assigned or delegated except that Executive may assign payments due hereunder to a trust established for the benefit of Executive's family or to Executive's estate or to any partnership or trust

entered into by Executive and/or Executive's immediate family members (meaning, Executive's spouse and lineal descendants). Charter also shall have the right to delegate its duties under this Agreement and assign its rights under this Agreement to any subsidiary or affiliate, *provided however*, such assignment does not render this Agreement void or unenforceable. Any actual or attempted delegation or assignment in contravention of this Section 9.1 shall be null and void *ab initio*.

9.2. Notices. All notices and other communications under this Agreement must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) sent by facsimile (with written confirmation of receipt), provided that a copy is mailed by registered mail, return receipt requested, or (c) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested). Notices and other communications under this Agreement shall be sent, in the case of Charter to the attention of the Chairman of the Board of Directors and General Counsel at Charter's principal business office and, in the case of Executive, to the address or facsimile number set forth below (or to such other address or facsimile number as Executive may designate by notice to Charter):

_____
_____
_____

9.3. Entire Agreement; Amendments.

(a) This Agreement contains the entire agreement between the parties with respect to its subject matter and supersedes all prior oral and written communications, agreements and understandings between the parties with respect to terms and conditions of employment, including, without limitation, specifically that certain November 22, 2004 memorandum regarding severance guidelines for executives; provided, however, that this Agreement does not cancel any prior award agreement entered into by Executive pursuant to or under any stock option or restricted stock plan, nor relieve Executive of his or her obligations under any agreement concerning confidentiality of information, non competition, non solicitation of employees or customers, non disparagement or assignment of inventions. Superseding such other agreements shall be deemed to not be a termination thereunder. To the extent any terms of this Agreement conflict with the terms of any prior award agreement entered into by Executive pursuant to or under any stock option or restricted stock plan, the terms of this Agreement shall govern.

(b) Neither this Agreement nor any of its terms may be amended, added to, changed or waived except in a writing signed by Executive and the President and/or Chief Executive Officer of Charter or designee thereof. Notwithstanding anything herein to the contrary, Charter hereby reserves the right to unilaterally amend this Agreement as necessary to avoid the imposition of liability under or as a consequence of the application of the provisions of Section 409A of the Code.

(c) Executive shall not be entitled to, and waives any rights under or with respect to, severance or other benefits under any existing or future severance plans, policies, programs or guidelines established or published by Charter, including, but not limited to, that certain November 22, 2004 memorandum regarding severance guidelines for executives.

9.4. Survival, Captions. This Agreement shall inure to the benefit of Charter, its successors and assigns. This Agreement shall survive the termination of Executive's employment. The captions used

in this Agreement do not limit the scope of the provisions. And shall not be used to interpret the meaning of the terms of this Agreement. Unless otherwise expressly provided, the word "including" does not limit the preceding words or terms.

9.5. Governing Law; Jurisdiction and Venue. This Agreement is deemed to be accepted and entered into in the State of Missouri and shall be governed by and construed and interpreted according to the internal laws of the State of Missouri without reference to conflicts of law principles. In any suit to enforce this Agreement, venue and jurisdiction is proper in the St. Louis County Circuit Court and (if federal jurisdiction exists) the U.S. District Court for the Eastern District of Missouri, and Executive waives all objections to jurisdiction in any such forum and any defense or claim that either such forum is not a proper forum, is not the most convenient forum, or is an inconvenient forum.

9.6. Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

9.7 Counterparts; Effective by Facsimile Signatures. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. This Agreement may be executed by facsimile signatures.

9.8. Successors; Binding Agreement. Subject to the provisions of Section 9.1, this Agreement shall inure to the benefit of and be binding upon personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees of Executive and successors and assigns of Charter. Other than Company and Executive, and, subject to Section 9.1 hereof, their respective successors and assigns, there are no intended beneficiaries of this Agreement.

9.9. Withholding Taxes; Delay In Payments. Company may withhold from any amounts payable under this Agreement such Federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation. In no event shall Charter be required to make, or Executive be required to receive, any payment called for by this Agreement if such payment at that time shall result in the application of the tax consequences spelled out in Section 409A of the Code. In that case, payment will be made at such time as will not result in the imposition of any adverse tax consequences spelled out in Section 409A of the Code.

9.10. General Satisfaction. Except as otherwise specified in this Agreement, this Agreement supersedes and replaces any prior employment or other agreement between Executive and Charter, and Charter shall not have any further liability arising out or in connection with any such prior agreement, whether oral or written, made on or before the Effective Time with or for the benefit of Executive.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date above first written above.

CHARTER COMMUNICATIONS, INC.
By:/s/ Neil Smit

/s/ Sue Ann R. Hamilton
Sue Ann R. Hamilton

Exhibit 15.1

October 31, 2005

Charter Communications, Inc. and subsidiaries
12405 Powerscourt Drive
St. Louis, MO 63131

Re: Form 10-Q For The Quarterly Period Ended September 30, 2005

With respect to the Form 10-Q for the quarterly period ended September 30, 2005, we acknowledge our awareness of the use therein of our report dated October 31, 2005 related to our review of interim financial information.

Pursuant to Rule 436 under the Securities Act of 1933 (the "Act"), such report is not considered part of a registration statement prepared or certified by an independent registered public accounting firm, or a report prepared or certified by an independent registered public accounting firm within the meaning of Sections 7 and 11 of the Act.

/s/ KPMG LLP

St. Louis, Missouri

Exhibit 31.1

I, Neil Smit, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Charter Communications, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 1, 2005

/s/ Neil Smit
Neil Smit
President and Chief Executive Officer

Exhibit 31.2

I, Paul E. Martin, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Charter Communications, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 1, 2005

/s/ Paul E. Martin
Paul E. Martin
Interim Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER REGARDING PERIODIC REPORT CONTAINING FINANCIAL STATEMENTS

I, Neil Smit, the President and Chief Executive Officer of Charter Communications, Inc. (the "Company") in compliance with 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that, the Company's Quarterly Report on Form 10-Q for the period ended September 30, 2005 (the "Report") filed with the Securities and Exchange Commission:

- fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Neil Smit
Neil Smit
President and Chief Executive Officer
November 1, 2005

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER REGARDING PERIODIC REPORT CONTAINING FINANCIAL STATEMENTS

I, Paul E. Martin, the Interim Chief Financial Officer of Charter Communications, Inc. (the "Company") in compliance with 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, hereby certify that, the Company's Quarterly Report on Form 10-Q for the period ended September 30, 2005 (the "Report") filed with the Securities and Exchange Commission:

- fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Paul E. Martin
Paul E. Martin
Interim Chief Financial Officer
(Principal Financial Officer)
November 1, 2005