

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

Current Report

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

Date of Report (Date of earliest event reported): August 9, 2005



Charter Communications, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or Other Jurisdiction of Incorporation or Organization)

000-27927

(Commission File Number)

43-1857213

(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)

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

Charter Communications, Inc. ("Charter") has entered into an agreement setting forth the terms under which Mr. Neil Smit will serve as President and Chief Executive Officer of Charter. See Item 5.02 below for additional information.

ITEM 5.02. DEPARTURE OF DIRECTORS OR PRINCIPAL OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF PRINCIPAL OFFICERS.

On August 9, 2005, Charter's Board of Directors announced that it had unanimously elected Neil Smit to the position of President and Chief Executive Officer, effective August 22, 2005. Mr. Smit will also serve as a member of Charter's Board of Directors as a Class B director. He succeeds Robert P. May, a Charter Board Member, who has served as Charter's Interim President and Chief Executive Officer, since January 2005. Mr. May will remain a member of Charter's Board of Directors.

Mr. Smit, 46, has worked at Time Warner, Inc. since 2000, most recently serving as the President of Time Warner's America Online Access Business. He also served at America OnLine ("AOL") as Executive Vice President, Member Development, Senior Vice President of AOL's product and programming team, Chief Operating Officer of AOL Local, Chief Operating Officer of MapQuest. Prior to that he was a regional vice president with Nabisco and was with Pillsbury in a number of management positions. Mr. Smit has a bachelor's of science degree from Duke University and a master's degree in with a focus in international business from Tufts University's Fletcher School of Law and Diplomacy.

Charter and Mr. Smit entered into an agreement as of August 9, 2005 whereby Mr. Smit will serve as Charter's President and Chief Executive Officer (the "Employment Agreement"), attached as Exhibit 99.1, for a term expiring on December 31, 2008, unless extended for an additional two years at Charter's option. Under the Employment Agreement, Mr. Smit will receive a \$1,200,000 base salary per year, through the third anniversary of the agreement, and thereafter \$1,440,000 per year for the remainder of the Employment Agreement. Mr. Smit shall be eligible to receive a performance-based target bonus of 125% of annualized salary, with a maximum bonus of 200% of annualized salary, as determined by the Compensation Committee of Charter's Board of Directors. However, for 2005 only, he will receive a minimum bonus of \$1,200,000, provided that he is employed by Charter on December 31, 2005. Under Charter's Long-Term Incentive Plan he will receive options to purchase 3,333,333 shares of Class A common stock, exercisable for 10 years, with annual vesting of one-third of the grant in each of the three years from the employment date; a performance share award for a maximum of 4,123,720 shares of Class A common stock, to be earned during a three-year performance cycle starting January 2006; and a restricted stock award of 1,250,000 shares of Class A common stock, with annual vesting over three years following employment date. In addition, Mr. Smit will receive another restricted stock award for 1,250,000 shares of Class A common stock vesting on the first anniversary of employment date.

Mr. Smit will receive full reimbursement for his relocation expenses and employee benefits consistent with those made generally available to other senior executives. In the event that Mr. Smit is terminated by Charter without "cause" or for "good reason termination," as those terms are defined in the Employment Agreement, he will receive the greater of two times base salary or salary through the remainder to the term of the Employment Agreement; a pro rata bonus for the year of termination; full vesting of options and restricted shares; vesting of performance stock if targets are achieved; and twelve months of COBRA payments. The Employment Agreement contains non-compete provisions from six months to two years, depending on the type of termination. Charter will gross up federal taxes in the event that Mr. Smit is subject to any additional tax under Section 409A of the Internal Revenue Code.

A press release announcing these changes is attached hereto as Exhibit 99.2.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

The following exhibits are filed pursuant to Item 5.02:

Exhibit Number	Description
99.1	Employment Agreement dated as of August 9, 2005.*
99.2	Press Release dated August 9, 2005. *

* filed herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, Charter Communications, Inc. has duly caused this Current Report to be signed on its behalf by the undersigned hereunto duly authorized.

CHARTER COMMUNICATIONS, INC.
Registrant

Dated: August 15, 2005

By: /s/ Kevin D. Howard

Name: Kevin D. Howard

Title: *Vice President of Financial Reporting and Analysis*

EXHIBIT INDEX

Exhibit Number	Description
99.1	Employment Agreement dated as of August 9, 2005.*
99.2	Press Release dated August 9, 2005. *

* filed herewith

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement") is entered into as of August 9, 2005 by and between **CHARTER COMMUNICATIONS, INC.**, a Delaware corporation (together with its successors and assigns, the "Company"), and Neil Smit, an individual ("Executive").

WITNESSETH:

WHEREAS:

- (1) The Company and Executive (each, a "Party") desire for Executive to be employed by the Company as Chief Executive Officer and President upon and subject to the terms and conditions set forth in this Agreement;
- (2) Executive is willing and desires to accept employment with the Company upon and subject to the terms of this Agreement; and
- (3) Executive's agreement to the terms and conditions of Sections 4 and 5 are a material condition of Executive's employment with the Company 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. The Company hereby agrees to employ Executive in an executive capacity as its Chief Executive Officer and President, and Executive hereby accepts such employment upon the terms and conditions set forth in this Agreement.

1.2 Term; Option to Extend. Executive's employment under this Agreement (the "Term") shall commence as of a date, no later than August 31, 2005, mutually agreed to by Executive and the Company (the "Effective Date") and shall terminate at 11:59 p.m. on December 31, 2008; provided, however, that the Company shall have the option to extend the Term of this Agreement for an additional two years upon giving notice to Executive not less than six months prior to the expiration of the original Term (and Executive shall have the right to reject such extension by so notifying the Company no later than the later of (a) six months prior to the expiration of the original Term and (b) 30 days after receiving such notice from the Company). If this option is so exercised and is not timely rejected by Executive, the Term shall be extended by two years, to 11:59 p.m. on December 31, 2010. If Executive continues in the Company's employ after the expiration of the Term (as extended pursuant to the immediately preceding sentence, if applicable), Executive's employment shall be on an at-will basis.

1.3 Position and Duties. During the Term, Executive shall serve as the President and Chief Executive Officer of the Company; shall have all authorities, duties and responsibilities customarily exercised by an individual serving in those positions at an entity of the size and nature of the Company (including overseeing the day-to-day management of the Company, having full profit and loss responsibility, developing overall strategy, and having all senior management of the Company report to him); shall be assigned no duties or responsibilities that are materially inconsistent with, or that materially impair his ability to discharge, the foregoing duties and responsibilities; shall have such additional duties and responsibilities (including, subject to such reasonable conditions as he may reasonably establish, service with affiliates of the Company), consistent with the foregoing, as may from time to time reasonably be assigned to him by the Board of Directors of the Company (the "Board") or the Executive Committee of the Board (the "Executive Committee"); shall, in his capacity as President and Chief Executive Officer of the Company, report solely and directly to the Board or the Executive Committee; and shall serve as a member of the Board and the Executive Committee (if there is an Executive Committee).

1.4 Outside Activities. During the Term, Executive shall devote substantially all of his business time and efforts to the business and affairs of the Company. However, nothing in this Agreement shall preclude Executive from: (a) serving on the boards of a reasonable number of business entities, trade associations and charitable organizations, (b) engaging in charitable activities and community affairs, (c) accepting and fulfilling a reasonable number of speaking engagements, and (d) managing his personal investments and affairs; provided that such activities do not either individually or in the aggregate: interfere with the proper performance of his duties and responsibilities hereunder; create a conflict of interest; or violate any provision of this Agreement; and provided further that service on the board of any business entity must be approved in advance by the Board.

1.5 Location. During the Term, Executive's principal office and principal place of employment shall be at the Company's headquarters in the St. Louis, Missouri, metropolitan area.

2. Compensation and Benefits.

2.1 Salary. Beginning as of the Effective Date, Executive will be paid a base salary (the "Salary") in respect of his services hereunder during the Term. The Salary shall be at an annual rate of \$1,200,000 through the third anniversary of the Effective Date, and thereafter at an annual rate of \$1,440,000 for the remainder of the Term. The Salary will be paid in equal periodic installments according to the Company's customary payroll practices, but no less frequently than monthly. During the Term, the Salary may be increased, but shall not be reduced below the applicable amount set forth in the preceding sentence at any time, or for any purpose (including for the purpose of determining benefits under Section 3 below), without Executive's prior written consent.

2.2 Performance Bonus. Executive shall be paid an annual cash performance bonus (an "Annual Bonus") in respect of each calendar year that ends during the Term, to the extent earned based on performance against objective performance criteria. The performance criteria for any particular calendar year shall be established by the Compensation Committee of the Board (the "Compensation Committee") no later than 90 days after the commencement of such calendar year. Executive's Annual Bonus for a calendar year shall equal 125% of his annualized year-end Salary for that year if target levels of performance for that year (as established by the Compensation Committee when the performance criteria for that year are established) are achieved, with greater or lesser amounts (including zero) paid for performance above and below target (such greater and lesser amounts to be determined by a formula established by the Compensation Committee for that year when it established the targets and performance criteria for that year), and with a maximum bonus no greater than 200% of his annualized year-end Salary. Performance criteria shall not include the Company's stock trading price, and may include revenue, ARPU, RGU, OCF, new product growth, operational improvements, and/or such other metrics as the Compensation Committee shall determine. Executive's Annual Bonus for a calendar year shall be determined by the Compensation Committee after the end of the calendar year and shall be paid to Executive when annual bonuses for that year are paid to other senior executives of the Company generally, but in no event later than March 15 of the following calendar year. In carrying out its functions under this Section 2.2 and under Section 2.3(c), the Compensation Committee shall at all times act reasonably and in good faith, and shall consult with Executive to the extent appropriate. For purposes of the 2005 calendar year only, Executive shall be paid a minimum Annual Bonus of \$1,200,000, provided only that Executive is employed hereunder on December 31, 2005, and such Annual Bonus for 2005 shall not exceed 125% of his annualized year-end Salary for 2005 unless the Compensation Committee determines otherwise in its sole and absolute discretion.

2.3 Equity Compensation.

(a) As of the Effective Date, Executive shall be granted an option to purchase 3,333,333 shares of Class A Common Stock, par value \$0.01 per share (the "Common Stock") (the "Initial Option"). The Initial Option shall have a per share exercise price equal to the per share fair market value on the Effective Date as determined pursuant to the terms of the Company's 2001 Stock Incentive Plan as amended (the "Plan"); shall have a term of ten (10) years from the applicable date of grant; and shall become vested and exercisable in three equal installments on each anniversary of the Effective Date, subject to Executive's continued employment with the Company. The Initial Option shall be subject to the terms and conditions of this Agreement and of a stock option agreement in substantially the form attached hereto as Exhibit A.

(b) As of (i) the Effective Date to the extent shares of Common Stock are available for grant to Executive under the Plan and (ii) the date that amendments to the Plan are approved by the Company's shareholders to the extent shares are not so available, Executive

shall be granted restricted stock awards as follows. The first restricted stock award shall be for 1,250,000 shares of Common Stock and shall vest on the first anniversary of the Effective Date (subject to Executive's continued employment with the Company and except as otherwise provided in this Agreement or in Exhibit B), and shall be governed by a restricted stock agreement in substantially the form attached hereto as Exhibit B (the "First Restricted Stock Award"). The second restricted stock award shall be for 1,562,500 shares of Common Stock and shall vest in equal annual installments on each of the first three anniversaries of the Effective Date (subject to Executive's continued employment with the Company and except as otherwise provided in this Agreement or in Exhibit C), and shall be governed by a restricted stock agreement in substantially the form attached hereto as Exhibit C (the "Second Restricted Stock Award"). The Company shall use its best reasonable efforts to promptly adopt the Plan amendments and promptly obtain the shareholder approval referred to in (ii) of the first sentence of this Section 2.3(b). To the extent that there are insufficient shares available pursuant to (i) of the first sentence of this Section 2.3(b) to make all of the restricted stock awards contemplated hereunder, the First Restricted Stock Award shall be made in full before any portion of the Second Restricted Stock Award is made.

(c) As of the date that amendments to the Plan are approved by the Company's shareholders with respect to individual limitations on the grant of performance shares, Executive shall be granted a performance share award for a target of 2,061,860, and a maximum of 4,123,720, shares of Common Stock (the "Performance Award"). The Performance Award shall be earned during the three-year performance cycle January 2006 - December 2008, based on performance against objective performance criteria established by the Compensation Committee no later than March 31, 2006 in conjunction with Executive, which criteria shall be consistent with corresponding criteria established for other senior executive officers of the Company. The number of shares earned by, and delivered to, Executive shall be the target number (appropriately adjusted for stock splits, recapitalizations, mergers, etc.) if target levels of performance (as established by the Compensation Committee, in conjunction with Executive, at the time the performance criteria are established) are achieved, with greater or lesser numbers of shares (including zero) earned and delivered for performance above or below target (such greater and lesser number to be determined by formula established by the Compensation Committee in conjunction with Executive when the targets and performance criteria are established), and with maximum payout no greater than 200% of the (appropriately adjusted) target number. Executive's right to payout shares shall become fully vested no later than December 31, 2008, subject only to the degree to which performance targets are attained (or surpassed). The degree to which performance targets are attained (or surpassed) shall be determined by the Compensation Committee, and freely tradable shares shall (to the extent earned) be delivered to Executive no later than March 15, 2009. The Company shall use its best reasonable efforts to promptly adopt the Plan amendments and promptly obtain the shareholder approval referred to in the first sentence of this Section 2.3(c). The Performance Award shall be subject to the terms

and conditions of this Agreement and of a performance share award agreement in substantially the form attached hereto as Exhibit D.

(d) If the Company fails to make in full each of the grants prescribed under paragraphs (b) and (c) by the 55th day after the Effective Date, unless the Company pays Executive no later than such day an amount in cash equal to the value (as determined for purposes of calculating the size of the awards to be granted hereunder) of the grants that it failed to make (e.g., if one-half of the Second Restricted Stock Award is not granted, the cash payment is \$1 million), a Good Reason Termination event shall be deemed to have occurred without timely cure by the Company, and Executive may effect a Good Reason Termination pursuant to Section 3.3(b) and obtain the benefits under Section 3.3(a). Notwithstanding the foregoing, if such failure is due to delay as a result of inquiries or similar actions by the SEC, "90th day" shall be substituted for "55th day." In the event of any stock split, recapitalization, merger, etc., between the date as of which this Agreement is entered into and the date any grant is made pursuant to this Section 2.3, appropriate adjustments shall be made in the number of shares and/or other terms of such grant so as to neither diminish nor enlarge the value represented by the award.

2.4 Other Incentives. Executive shall be eligible for other or additional long-term incentives in the sole and absolute discretion of the Compensation Committee and/or the Board, including additional stock option grants and restricted stock awards beginning as of calendar year 2006 and performance share awards beginning in 2007. Such incentive awards (if any) shall be at a level, and on terms and conditions, that are commensurate with Executive's positions and responsibilities at the Company and appropriate in light of corresponding awards to other senior executives of the Company (but without regard to any special or one-time grants to other senior executives, including any sign-on or special retention grants). Except as otherwise provided herein, Executive shall not be entitled to participate in any other compensation, bonus, retention or incentive program, or in the Charter Communications, Inc. 2005 Cash Award Plan, except as may be explicitly determined by the Board or the Compensation Committee in its sole and absolute discretion.

2.5 Employee Benefits. During the Term, Executive will be entitled to participate in all pension, retirement, profit sharing, savings, 401(k), income deferral, life insurance, disability insurance, accidental death and dismemberment protection, travel accident insurance, hospitalization, medical, dental, vision and other employee benefit plans, programs and arrangements that may from time to time be made available generally to other senior executives of the Company, all to the extent Executive is eligible under the terms of such plans, programs and arrangements. Executive's participation in all such plans, programs and arrangements shall be at a level, and on terms and conditions, that are commensurate with his positions and responsibilities at the Company and that are no less favorable to him than to other senior executives of the Company generally. Executive shall also be entitled to post-retirement welfare and other benefits on no less favorable a basis than that then applying generally to other senior executives of the Company with the same age and years of service with the Company. In addition, the Company shall, as promptly as reasonably practicable and with Executive's full cooperation, purchase on behalf of Executive a policy that provides long-term disability coverage that, when combined with other long-term disability coverage provided by the Company, provides (i) coverage to age 65 of 50% of Executive's Salary, or (ii) if such coverage referred to in (i) would cost more than \$20,000 per year, the amount of coverage that can be provided for \$20,000 per year. Except for the immediately preceding sentence, nothing in this Section 2.5 shall be construed to require the Company to establish or maintain any particular employee benefit plan, program or arrangement.

2.6 Expenses and Perquisites.

(a) **Expenses.** The Company shall promptly reimburse Executive for all expenses reasonably incurred by him in connection with the performance of his duties hereunder (including appropriate business entertainment activities, expenses appropriately incurred by Executive in attending conventions, seminars, and other business meetings, and promotional activities), subject to Executive's furnishing the Company documentation substantiating the expenses in accordance with any reasonable policies concerning substantiation previously communicated to him in writing. When traveling on Company business on commercial airlines, Executive shall be entitled to fly first class when available.

(b) **Relocation and Transition Expenses.** Promptly upon presentation of appropriate substantiation, the Company shall pay, or reimburse Executive for, the following relocation expenses:

(i) reasonable packing, moving, storage and travel expenses associated with moving Executive, Executive's immediate family, and their possessions from Virginia to the St. Louis area;

(ii) reasonable home sale and purchase closing costs, including loan origination fees, brokers' fees and commissions, home appraisal and inspection fees, title costs, attorney and escrow office fees, recording fees, and state and local recording, transfer and real property gains taxes, etc., associated with Executive and his family moving from their residence in Virginia to the St. Louis area; and

(iii) until the earlier of the first anniversary of the Effective Date and the date on which Executive and his immediate family have fully relocated to the St. Louis area:

(A) temporary housing costs and living expenses reasonably incurred by Executive and his immediate family in the St. Louis area;

- (B) expenses reasonably incurred by Executive in commuting not more than once a week between Virginia and the St. Louis area;
- (C) reasonable costs of a suitable rental automobile, including maintenance, fuel and insurance costs, unless a suitable automobile is provided by the Company; and
- (D) reasonable commercial air fare, hotel and travel related expenses for up to four (4) round-trips for Executive, his spouse and their children between Virginia and the St. Louis area to search for a new home, etc.

In the event that any federal, state, local or other tax is due from Executive in connection with any benefit provided to him under this Section 2.6(b) (including tax reimbursement payments pursuant to this sentence), the Company shall pay to Executive, prior to the time such tax is due through withholding or otherwise, an additional amount equal to the amount of such tax.

(c) **Legal Representation.** Executive acknowledges that he has been advised to consult with independent legal counsel before signing this Agreement and has had the opportunity to do so. The Company shall pay, or reimburse Executive for, all fees and expenses of counsel, and other professional advisors, incurred by him in the negotiation, drafting and implementation of this Agreement, up to a maximum of \$110,000 unless otherwise later agreed.

(d) **Financial Counseling and Tax Preparation.** Executive specifically understands that the Company has not made, nor does it make, any representation pertaining to financial obligations or tax consequences to Executive that may or may not arise out of this Agreement or Executive's acceptance of funds or benefits under this Agreement. In addition to the reimbursement provided under Section 2.6(c), the Company agrees to promptly pay, or reimburse Executive for, professional fees he incurs in connection with financial counseling, estate planning, tax preparation and the like, up to a maximum of \$15,000 for each calendar year that begins, or ends, during the Term.

(e) **Additional Fringe Benefits and Perquisites.** During the Term, Executive shall, in addition to the foregoing, also be entitled to (i) to participate in all fringe benefits and perquisites made available generally to senior executives of the Company, such participation to be at levels, and on terms and conditions, that are commensurate with his positions and responsibilities at the Company and no less favorable to him than those applying generally to other senior executives of the Company, and (ii) to receive such additional fringe benefits and perquisites as the Company may, in its sole and absolute discretion, from time to time provide.

2.7 Facilities and Expenses. During the Term, the Company will furnish Executive office space, equipment, supplies, and such other facilities and personnel as are reasonably

necessary or appropriate for the performance of Executive's duties under this Agreement, and will pay Executive's dues in professional organizations as reasonably appropriate.

2.8 Vacations and Holidays. Executive will be entitled to paid vacation of at least twenty (20) days per calendar year (or such greater number of vacation days, per calendar year, as may then be permitted for senior executives of the Company generally) during the Term, which vacation days may be carried over from year to year if not used. Executive will also be entitled to paid holidays as and to the extent set forth in the Company's policies as the same may change from time to time for senior executives of the Company generally.

2.9 Effect of a "Going Private Event" on Equity Awards. At such time, if ever, as the Common Stock shall no longer be traded on any national securities exchange or national securities market (a "Going Private Event"), then the Company, in its sole and absolute discretion, shall either:

(a) (i) accelerate the vesting of, and remove all transfer restrictions on, all of Executive's outstanding Restricted Stock; (ii) accelerate the vesting and exercisability of all of Executive's outstanding Stock Options; and (iii) deliver unrestricted, publicly tradeable, securities in respect of each of Executive's outstanding Performance Share awards in an amount equal to the then target payout for that award times a fraction, of which the numerator is the number of days in the pertinent performance period that shall have elapsed through the occurrence of the Going Private Event and the denominator of which is the number of days in the pertinent performance period; with vesting/removal/exercisability/ delivery in each case afforded at a time, and in a fashion, that enables Executive to participate, with respect to the securities subject to the awards in clauses (i)-(iii), on no less favorable a basis than other public shareholders holding such securities, in the transactions that give rise to the Going Private Event; or

(b) with respect to each of Executive's outstanding Stock Options, Restricted Stock awards, and Performance Share awards, make appropriate adjustments (x) in the amount and/or kinds of securities subject to such award (including, as appropriate, substituting securities of any successor entity) and/or (y) in the other terms and conditions of such award, in each case so as to avoid (A) dilution or enlargement, as a result of the Going Private Event, of the rights and value represented by such award and (B) any incremental current tax to Executives; or

(c) accelerate the vesting/removal/exercisability/delivery with respect to some of Executive's outstanding Stock Options, Restricted Stock awards and/or Performance Share awards in accordance with Section 2.9(a), and treat the remaining awards in accordance with Section 2.9(b).

To the extent that Executive's Stock Options, Restricted Stock and/or Performance Share awards continue to be outstanding in accordance with Section 2.9(b) following a Going Private Event, then (i) Executive shall have the right, during the period of 180 days following (w) the vesting or removal of transfer restrictions from any Restricted Stock, (x) the delivery of any securities in respect of any Performance Share award, (y) the acquisition of securities upon the exercise of any Stock Option, and/or (z) the termination of his employment with the Company, for any reason, subsequent to or coincident with such vesting/removal/delivery/acquisition, to "put" any or all of such securities to the Company for a prompt cash payment equal to their Fair Market Value, and (ii) the Company shall have the right, during the same period, to "call" any or all of such securities for a prompt cash payment equal to their Fair Market Value. For purposes of this Agreement, the "Fair Market Value" of a security, as of a specified date, shall mean the fair market value of such security, as of such date, determined without discount for lack of liquidity, lack of control, minority status, restrictions on transferability, and the like, and assuming an amply-funded strategic buyer for all such securities then outstanding.

3. Termination of Employment.

3.1 Termination Due to Death or Disability.

(a) In the event that Executive's employment hereunder is terminated during the Term due to his death or "Disability" (as determined pursuant to Section 3.1(b) below), the Term shall expire and he or his estate or beneficiaries (as the case may be) shall be entitled to the following:

- (i) a "Pro-Rata Bonus" (as defined in Section 3.1(c) below);
- (ii) full nonforfeitability and exercisability, as of the Termination Date, for any outstanding "Stock Option" (as defined in Section 3.1(c) below), with each such Stock Option to remain exercisable for the lesser of two years following the Termination Date and the remainder of its maximum stated term;
- (iii) full vesting, as of the Termination Date, for any outstanding "Restricted Stock" (as defined in Section 3.1(c) below), with all restrictions on such Restricted Stock lapsing as of the Termination Date;
- (iv) full nonforfeitability, as of the Termination Date, of any right to receive "Performance Shares" (as defined in Section 3.1(c) below), with the number (if any), and the timing of the delivery, of shares determined as if Executive's employment hereunder had continued indefinitely; and
- (v) the benefits described in Section 3.5.

(b) For purposes of this Agreement, Executive will be deemed to have a "Disability" if, due to illness, injury or a physical or medically recognized mental condition, he is unable to perform his duties under this Agreement with reasonable accommodation for one hundred twenty (120) consecutive days, or one hundred eighty (180) days during any twelve (12) month period, as determined in accordance with this Section 3.1(b). Whether a Disability exists will be determined by a medical doctor selected by agreement of the Parties upon the request of either Party by notice to the other. If the Parties cannot agree on the selection of a medical doctor, each of them shall select a medical doctor and the two medical doctors will select a third medical doctor who shall determine whether a Disability exists. The determination of the medical doctor selected under this Section 3.1(b) 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 3.1(b), and to other specialists designated by such medical doctor, and Executive hereby authorizes the disclosure and release to the Company, in confidence, of such determination and all supporting medical records. No termination for Disability shall be effective until fifteen days after either Party gives written notice of such termination to the other Party.

(c) For purposes of this Agreement:

(i) the term "Pro-Rata Bonus" shall mean an amount equal to the product obtained by multiplying (x) 125% of Executive's annualized Salary as of the Termination Date times (y) a fraction, the numerator of which is 365 minus the number of days remaining (as of the Termination Date) in the calendar year of termination and the denominator of which is 365, such amount to be paid to Executive promptly following the Termination Date;

(ii) the term "Stock Option" shall mean any compensatory option or warrant to acquire securities of the Company or any of its affiliates (including the Initial Option); any compensatory stock appreciation right, phantom stock option or analogous right granted by or on behalf of the Company or any of its affiliates; and any securities or rights received in respect of any of the foregoing securities or rights;

(iii) the term "Restricted Stock" shall mean any compensatory restricted stock of the Company or any of its affiliates (including the First Restricted Stock Award and the Second Restricted Stock Award); any compensatory phantom shares or analogous rights granted by or on behalf of the Company or any of its affiliates; and any securities or rights received in respect of any of the foregoing securities or rights;

(iv) the term "Performance Shares" shall mean any compensatory performance shares and compensatory performance units of the Company (including the Performance Award);

(v) the term "Termination Date" shall mean the effective date of the termination of Executive's employment under this Agreement.

(vi) the term "Person" shall mean any individual, corporation, partnership, limited liability company, joint venture, trust, estate, board, committee, agency, body, employee benefit plan, or other person or entity.

3.2 Termination for Cause; Voluntary Quit.

(a) For purposes of this Agreement, the term "Cause" shall mean:

(i) Executive's willful material breach of an obligation or representation under this Agreement or of any material fiduciary duty to the Company or any of its affiliates, or any willful act of fraud or willful misrepresentation or willful concealment to the Company, the Board or any affiliate, in each case that results or should reasonably be expected to result in material harm to the Company, the Board or any affiliate of the Company;

(ii) Executive's willful and material failure to adhere to (A) any Code of Conduct in effect from time to time and applicable to officers and/or employees generally or (B) any written policy, in each case that results or should reasonably be expected to result in material harm to the Company, the Board or any affiliate of the Company;

(iii) Executive is convicted of, or pleads guilty or nolo contendere to, any felony or to a misdemeanor involving moral turpitude; or

(iv) conduct by Executive in connection with his employment hereunder that constitutes willful misconduct or willful neglect, in each case that results or should reasonably be expected to result in material harm to the Company or any affiliate.

(b) No termination of Executive's employment shall be effective as a termination for Cause for purposes of this Agreement or any other "Company Arrangement" (as defined in Section 3.5(d) below) unless the provisions of this Section 3.2(b) shall first have been complied with. Executive shall be given written notice by the Board of its intention to terminate his employment for Cause, such notice (the "Cause Notice") to state in detail the particular circumstances that constitute the grounds on which the proposed termination for Cause is based. Executive shall have ten (10) days after receiving such Cause Notice in which to cure such grounds to the reasonable satisfaction of the Board. If he fails to timely cure such grounds, Executive shall then be entitled to a hearing before such Board. Such hearing shall be held within fifteen (15) days of his receiving such Cause Notice, provided that he requests such hearing within ten (10) days after receiving such Cause Notice. If, within ten (10) days following such hearing (if timely requested), and otherwise within twenty (20) days after such Cause Notice is given to Executive, the Board gives written notice to Executive confirming that, in the judgment of at least a majority of the members of the Board, Cause for terminating his

employment on the basis set forth in the original Cause Notice exists, his employment hereunder shall thereupon be terminated for Cause, subject to *de novo* review, at Executive's election, through arbitration in accordance with Section 9.5.

(c) In the event that Executive's employment hereunder is terminated by the Company for Cause in accordance with Section 3.2(b), the Term shall expire and he shall be entitled to (x) the right to exercise any Stock Option, to the extent that such Stock Option is nonforfeitable as of the Termination Date, for at least the lesser of 30 days following the Termination Date and the remainder of its maximum stated term and (y) the benefits described in Section 3.5.

(d) In the event that Executive's employment hereunder is terminated by Executive on his own initiative, other than by death, for Disability, in a Good Reason Termination, or by expiration of the Term in accordance with Section 1.2 at 11:59 p.m. on December 31, 2008 or December 31, 2010, the Term shall expire and he shall have the same entitlements as provided in Section 3.2(c) in the case of a termination for Cause. A voluntary termination under this Section 3.2(d) shall not be deemed a breach of this Agreement.

3.3 Termination Without Cause or With Good Reason.

(a) In the event that Executive's employment hereunder terminates during the Term in a Good Reason Termination, or is terminated by the Company (other than (x) for Disability in accordance with Section 3.1; (y) for Cause in accordance with Section 3.2, or (z) upon expiration of the Term at 11:59 p.m. on December 31, 2008 or December 31, 2010 in accordance with Section 1.2) the Term shall expire and Executive shall be entitled to:

- (i) a Pro Rata Bonus;
- (ii) the greater of (i) two times the Salary as of the Termination Date and (ii) the Salary for the remainder of the Term through 11:59 p.m. on December 31, 2008, payable in a prompt lump sum;
- (iii) a prompt lump-sum payment equal to twelve (12) times the monthly after-tax cost to Executive, as of the Termination Date, for Executive to receive under COBRA paid coverage for the health, dental and vision benefits then being provided;
- (iv) full nonforfeitability and exercisability, as of the Termination Date, for any outstanding Stock Option, with each such Stock Option to remain exercisable for the lesser of two years following the Termination Date and the remainder of its maximum stated term;

- (v) full vesting, as of the Termination Date, for any outstanding Restricted Stock, with all restrictions on such Restricted Stock lapsing as of the Termination Date;
- (vi) full nonforfeitability, as of the Termination Date, of any right to receive Performance Shares, with the number (if any), and the timing of the delivery, of such shares determined as if Executive's employment hereunder had continued indefinitely; and
- (vii) the benefits described in Section 3.5.

(b) For purposes of this Agreement, the term "Good Reason Termination" shall mean a termination by Executive of his employment hereunder following the occurrence of any of the following events without his express written consent:

- (i) any failure to continue Executive as President, Chief Executive Officer and a member of the Board, but only if Executive objects in writing within 10 days of learning of such event and the Company fails to cure within 30 days of receipt of such written notice;
- (ii) any adverse change in Executive's reporting relationship, but only with respect to facts of which Executive became aware no more than six months prior to the date Executive gives written notice to the Company thereof and only if the Company fails to cure within 30 days of receipt of such written notice;
- (iii) any material diminution in Executive's responsibilities or authorities, but only with respect to facts of which Executive became aware no more than six months prior to the date Executive gives written notice to the Company thereof and only if the Company fails to cure within 30 days of receipt of such written notice;
- (iv) any relocation of Executive's principal place of employment to a location more than fifty (50) miles from the Company's headquarters as of the Effective Date, but only if Executive objects in writing within 10 days of learning of such event and the Company fails to cure within 30 days of receipt of such written notice;
- (v) any reduction in Executive's Salary (except as permitted under Section 2.1) or the Company's failure to pay any material amount or provide any material benefit due under the Agreement or otherwise, but only if Executive objects in writing within 10 days of learning of such event and the Company fails to cure within 30 days of receipt of such written notice; or
- (vi) any failure of the Company to timely obtain the assumption in writing of its obligations under this Agreement by any successor to all or substantially all of its business or assets upon any reconstruction, amalgamation, combination, merger,

consolidation, sale, liquidation, dissolution or similar transaction, but only if Executive objects in writing within 10 days of learning of such event and the Company fails to cure within 30 days of receipt of such written notice;

No Good Reason Termination shall be effective until at least 90 days after Executive gives notice to the Company specifying the date on which the termination of his employment hereunder shall occur. Any Good Reason Termination shall be subject to *de novo* review, at the Company's election, through arbitration in accordance with Section 9.5. In addition, any termination by Executive of his employment hereunder during the 60-day period that commences 180 days after the occurrence of any Change in Control shall be deemed to be a Good Reason Termination.

(c) For purposes of this Agreement, "Change in Control" shall mean the occurrence of any of the following events:

(i) any "person," as such term is used in Section 13(d) of the Securities Exchange Act of 1934, or group of persons, excluding Vulcan, Inc. and its affiliates, becomes (directly or indirectly) a "beneficial owner", as such term is used as of the Effective Date in Rule 13d-3 promulgated under that Act, of a percentage of the voting securities of the Company (measured either by number of voting securities or by voting power) that is larger than the percentage (if any) of the voting securities of the Company (measured in the same fashion) that Vulcan, Inc. and its affiliates beneficially own (directly or indirectly) at such time;

(ii) a majority of the Board consists of individuals other than "Incumbent Directors," which term means the members of the Board on the Effective Date; provided that any individual becoming a director subsequent to such date whose election or nomination for election was supported (other than in connection with any actual or threatened proxy contest) by two-thirds of the directors who then comprised the Incumbent Directors shall be considered to be an Incumbent Director; or

(iii) (x) the Company combines with another entity and is the surviving entity, or (y) all or substantially all of the assets or business of the Company is disposed of pursuant to a sale, merger, consolidation, liquidation, dissolution or other transaction or series of transactions (collectively, a "Triggering Event"), unless Vulcan, Inc. and its affiliates own, directly or indirectly, by reason of their ownership of voting securities of the Company immediately prior to such Triggering Event, more of the voting securities than any other shareholder (measured both by number of voting securities and by voting power) of (q) in the case of a combination in which the Company is the surviving entity, the surviving entity and (r) in any other case, the entity (if any) that succeeds to all or substantially all of the Company's business and assets.

(d) Prior to receiving the payment described in Section 3.3(a)(ii), Executive must first execute and deliver to the Company a mutual release in substantially the form attached to this Agreement as Exhibit E, which shall not have been revoked by Executive by the close of business on the seventh day following its execution. Such mutual release shall be null and void unless it is returned to Executive, duly executed by the Company, within ten (10) business days following receipt by the Company.

3.4 Expiration of the Term. In the event that Executive's employment hereunder terminates upon expiration of the Term at 11:59 p.m. on December 31, 2008 or December 31, 2010 in accordance with Section 1.2, Executive shall be entitled:

- (a) to have any Stock Option that is nonforfeitable or exercisable as of the Termination Date or that becomes exercisable pursuant to Section 3.4(b) below be exercisable for the lesser of one year following the Termination Date and the remainder of its maximum stated term;
- (b) to (x) nonforfeatability, as of the Termination Date, and exercisability, as of the date(s) Stock Options would otherwise have become nonforfeitable or exercisable had Executive remained employed by the Company indefinitely, and (y) nonforfeatability, as of the Termination Date, for any outstanding Restricted Stock, in each case to the extent that such Stock Option or Restricted Stock is then scheduled to become vested/nonforfeitable (or, with respect to Stock Options, exercisable) on or before the first anniversary of the Termination Date;
- (c) to the benefits described in Section 3.5.

3.5 Benefits On Any Termination. On any termination of Executive's employment, he shall be entitled to:

- (a) Salary through the Termination Date;
- (b) the balance of any annual, long-term, or other incentive award earned in respect to any period ending on or prior to the Termination Date, but not yet paid;
- (c) a lump-sum payment in respect of accrued but unused vacation days at his per-business-day Salary in effect as of the date his employment terminates;
- (d) other or additional benefits in accordance with the terms of applicable plans, programs, corporate governance documents, agreements and arrangements of the Company and its affiliates (including Sections 2, 6, 7, and 9.5 of this Agreement) (collectively, "Company Arrangements"); and
- (e) payment, promptly when due, of all amounts due in connection with the termination.

3.6 No Duplicative Severance. Notwithstanding anything elsewhere to the contrary, to the extent that the employment of Executive with the Company is terminated during the Term or upon expiration of the Term, 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 the Company, including that certain November 22, 2004 memorandum regarding severance guidelines for executives.

3.7 No Mitigation/No Offset. Executive shall be under no obligation to seek other employment or otherwise mitigate the obligations of the Company under this Agreement, and there shall be no offset against amounts or benefits due Executive under this Agreement or otherwise on account of any claim (other than any preexisting debts then due in accordance with their terms) the Company or its affiliates may have against him or any remuneration or other benefit earned or received by Executive after such termination.

4. Confidential Information.

4.1 Acknowledgements by Executive. Executive acknowledges that (a) during the Term 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, the Company desires to obtain exclusive ownership of each invention by Executive, and the Company 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 4 are reasonable and necessary to prevent the improper use or disclosure of Confidential Information and to provide the Company with exclusive ownership of all inventions and works made or created by Executive.

4.2 Confidential Information. Executive acknowledges that during the Term Executive will have access to and may obtain, develop, or learn of "Confidential Information" (as defined below in this Section 4.2) under and pursuant to a relationship of trust and confidence. Executive shall hold such Confidential Information in strictest confidence and never at any time, during or after the termination of Executive's employment, directly or indirectly use for Executive's own benefit or otherwise (except in connection with the performance of duties for the Company or any of its affiliates) any Confidential Information, or divulge, reveal, disclose or communicate any Confidential Information to any unauthorized Person in any manner whatsoever except (v) to the Company and its affiliates, or to any authorized (or apparently authorized) agent or representative of any of them, (w) in connection with performing services for the Company and its affiliates, (x) when required to do so by law or by a court, governmental agency, legislative body, arbitrator or other Person with apparent jurisdiction to order him to divulge, disclose or make accessible such information, (y) in the course of any proceeding under Section 5.7 or 9.5 or (z) in confidence to an attorney or other professional advisor for the purpose of securing professional advice. In the event that Executive intends to disclose any Confidential

Information pursuant to clause (x) or (y) of the immediately preceding sentence, he shall (A) first promptly give the Company notice that such disclosure is or may be made and (B) cooperate with the Company, at its reasonable request and subject to such reasonable conditions as he may reasonably establish, in seeking to protect the confidentiality of the Confidential Information.

As used in this Agreement, the term "Confidential Information" shall include, but shall not be limited to, any of the following information relating to the Company learned by Executive during the Term or as a result of Executive's employment with the Company:

(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 the Company'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 then or later 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 performing his duties, or except as otherwise specifically authorized by the Company) 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 the Company and Executive, all of the Proprietary Items, whether or not developed by Executive, are the exclusive property of the Company.

On or promptly following the Termination Date, Executive shall promptly return to the Company (or destroy) all documents, and other data repositories, containing Confidential Information that are then in his possession or control; provided that nothing in this Agreement or elsewhere shall prevent Executive from retaining and utilizing copies of benefits plans and programs in which he retains an interest or other documents relating to his personal entitlements and obligations, his desk calendars, his rolodex, and the like, or such other records and documents as may reasonably be approved by the Company.

4.3 Proprietary Developments. Executive shall, promptly upon reasonable request, disclose to Company all inventions (whether patentable or not), trade secrets, trademark concepts, and advertising and marketing concepts (collectively, hereinafter referred to as "Developments"), that he makes, alone or with others, during his employment with Company relating to its business. "Developments" do not include anything possessed or created by Executive before the Term. Company will exclusively own all Developments. Executive hereby assigns to the Company all rights that he has or acquires in any Developments, and he will execute any documents and take any actions as reasonably requested by the Company necessary to effect that assignment. Executive need not incur any cost related to that assignment or the

creation of any related intellectual property rights. The Parties agree that Developments are Confidential Information.

4.4 Cooperation. Both during the Term and thereafter, Executive shall fully cooperate with the Company's reasonable requests 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 otherwise. This shall include, upon reasonable request by the Company, 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. The Company shall bear all costs in connection with Executive's compliance with the terms of this Section 4.4.

4.5 No Announcement. Neither Party shall, prior to the Effective Date and without the prior consent of the other Party: make (or cause to be made) any public announcement concerning Executive's agreement to become employed with the Company or (b) in the case of the Company only, communicate with Executive's current employer concerning Executive.

5. Non-Competition and Non-Solicitation.

5.1 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 5 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.

5.2 Covenants of Executive. For purposes of this Section 5.2, the term "Restricted Period" shall mean the period commencing on the Effective Date and terminating (i) June 30, 2009 if the Term ends at 11:59 p.m. on December 31, 2008 in accordance with Section 1.2, (ii) June 30, 2011 if the Term ends at 11:59 p.m. on December 31, 2010 in accordance with Section 1.2, (iii) 12 months after the Termination Date if Executive is not entitled to payments pursuant to Section 3.3(a) and clauses (i) and (ii) do not apply, or (iv) 24 months after the Termination Date if Executive is entitled to payments pursuant to Section 3.3(a) or he would be so entitled if he were to deliver an executed Release. In consideration of the compensation and benefits to be paid or provided to Executive by the Company, Executive covenants and agrees that during the Restricted Period 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, other than in connection with his services for the Company and its affiliates:

(a) perform material services for, or otherwise have material involvement with (whether as an officer, director, partner, consultant, security holder, owner, employee, independent contractor or otherwise), any Person that competes materially (whether

directly or indirectly) with the Company and its affiliates in the "Business" (as such term is defined below in this Section 5.2) in the United States or elsewhere; provided that Executive may in any event (x) own up to a 1% passive ownership interest in any public or private entity, (y) be employed by, or otherwise have an association with, any business that competes with the Company or its affiliates in the Business if his employment or association is with a separately managed and operated division or affiliate of such business that does not compete with the Company or its affiliates in the Business and he has no business communication relating to the Business with employees of any division or affiliate of such business that does compete with the Company or its affiliates in the Business, and (z) serve on the board of any business entity that participates in the Business as an immaterial part of its overall business, provided that he recuses himself fully and completely from all matters relating to the Business; or

(b) personally solicit, or personally aid in the solicitation of, (whether directly or indirectly) any individual who is, at the time of such solicitation, employed as an employee of the Company (or who was so employed at any time within a period of six (6) months immediately prior to the date on which Executive solicited or aided in the solicitation of such individual) to cease such employment (provided, however, that this paragraph (b) shall not apply to Executive's secretary); or

(c) personally solicit, or personally aid in the solicitation of, (whether directly or indirectly) any Person that Executive knows was (or has been informed by the Company that such person was) a customer or a prospective customer (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) of the Company at any time during the Term for the purpose of (a) selling services or products to such Person in competition with the Company (and its affiliates) in the Business or (b) inducing such Person to cancel, transfer or cease doing Business in whole or in part with the Company or any of its affiliates;

provided that the restrictions set forth in clauses (a), (b) and (c) of this Section 5.2 shall immediately expire in the event that the Company, or any of its affiliates, shall have materially breached, on or after the Termination Date, any of its material obligations to Executive under this Agreement or otherwise, which breach shall have continued uncured for twenty (20) days after Executive has given written notice to the Company identifying the breach and requesting cure.

For purposes of this Agreement, the term "Business" means: the ownership or operation of cable television systems; the provision of direct television or of satellite-based, telephone-based, internet-based, or wireless systems for delivering television, music or other entertainment programming; the provisions of telephony services using cable connection; and the provision of data or internet service, and any other business of the Company and its subsidiaries and affiliates that, as of the time of Executive's termination of employment, generates annual revenues in excess of \$100 million.

If Executive violates any covenant contained in this Section 5.2, then the term of such covenant shall be extended by the period of time Executive was in violation of the same.

5.3 Provisions Pertaining to the Covenants. Executive recognizes that the existing business of the Company extends throughout the United States and may extend hereafter to other countries and territories and agrees that the scope of Section 5.2 shall extend to the entire United States and any other country or territory where the Company hereafter operates or conducts business. It is agreed that 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 Executive's breach of this Section, the Company shall be entitled to seek equitable relief by way of temporary or permanent injunction, temporary restraining order or similar relief.

5.4 Mutual Non-Disparagement. Executive agrees not to intentionally make, or intentionally cause any other Person to make, any public statement that is intended to criticize or disparage the Company, its affiliates, or any of their respective senior executive officers or directors. The Company agrees to use its best reasonable efforts to cause its senior executive officers and directors not to intentionally make, or intentionally cause any other Person to make, any public statement that is intended to criticize or disparage Executive. This Section 5.4 shall not be construed to prohibit any Person from responding publicly to incorrect public statements or from making truthful statements when required by law, subpoena, court order, or the like.

5.5 Severability; Waiver. If any provision of Section 4 or 5 of this Agreement is deemed to be unenforceable by a court or arbitrator (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 or arbitrator shall amend and alter such provision to such lesser degree, time, scope, extent and/or territory as will grant the Company the maximum restriction on Executive's activities permitted by applicable law in such circumstances. The Company'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 the Company or by the Company's failure to exercise any of its rights under any such agreement.

5.6 Notices. In order to preserve the Company's rights under Sections 4 and 5, the Company and Executive are each 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 the terms of Sections 4 and 5, and the Company shall not be liable if it does so.

5.7 Injunctive Relief and Additional Remedies. The Parties acknowledge that any injury that would be suffered as a result of a material breach of the provisions of Sections 4 and 5

of this Agreement could be irreparable and that an award of monetary damages for such a material breach could be an inadequate remedy. Therefore, in the event of any actual or threatened breach by a Party of any of the provisions of Section 4 or 5 above, the other Party shall be entitled to seek, through arbitration in accordance with Section 9.5 or from any court with jurisdiction over the matter and the defendant(s), temporary, preliminary and permanent equitable/injunctive relief restraining the defendant(s) from violating such provision and to seek, in addition, but solely through arbitration in accordance with Section 9.5, money damages, together with any and all other remedies available under applicable law.

5.8 No Other Post-Employment Restrictions. There shall be no contractual, or similar, restrictions on Executive's post-employment activities other than as expressly set forth in this Agreement unless otherwise agreed in writing by the Parties in accordance with Section 9.3(b).

6. "Golden Parachute" Taxation. In the event that any payment or benefit made or provided to or for the benefit of Executive in connection with this Agreement or his employment with the Company or the termination thereof (a "Payment") is determined to be subject to any excise tax ("Excise Tax") imposed by Section 4999 of the Internal Revenue Code (or any successor to such Section), the Company shall pay to Executive, prior to the time any Excise Tax is payable with respect to such Payment (through withholding or otherwise), an additional amount which, after the imposition of all income, employment, excise and other taxes, penalties and interest thereon, is equal to the sum of (i) the Excise Tax on such Payment plus (ii) any penalty and interest assessments associated with such Excise Tax. The amount and timing of any payment required by this Section 6 shall be determined in the first instance by a nationally-recognized independent auditor (the "Auditor") selected and paid by the Company (who may be the Company's usual auditor). The Parties shall cooperate with each other in connection with any "Proceeding" or "Claim" (each as defined in Section 7.1 below) relating to the existence or amount of any liability for Excise Tax. All expenses relating to any such Proceeding or Claim (including attorneys' fees and other expenses incurred by Executive in connection therewith) shall be paid by the Company promptly upon demand by Executive, and (for avoidance of doubt) any such payment shall be subject to gross-up under this Section 6 in the event that Executive is subject to Excise Tax on it.

7. Indemnification.

7.1 If Executive is made a party, is threatened to be made a party, or reasonably anticipates being made a party, to any actual, threatened or reasonably anticipated action, suit or proceeding, whether civil, criminal, administrative, investigative, appellate, formal, informal, or other (a "Proceeding") by reason of the fact that he has agreed to become employed under this Agreement, or of the fact that he is or was a director, officer, member, employee, agent, manager, trustee, consultant or representative of the Company or any of its subsidiaries or affiliates, or is or was serving at the request of the Company or any of its subsidiaries or affiliates or in connection with his service hereunder, as a director, officer, member, employee, agent,

manager, trustee, fiduciary, consultant or representative of another Person, or if any claim, demand, request, investigation, dispute, controversy, threat, discovery request, or request for testimony or information (a "Claim") is made, is threatened to be made, or is reasonably anticipated to be made, that arises out of or relates to Executive's service in any of the foregoing capacities or his agreeing to become employed hereunder, then Executive shall promptly be indemnified and held harmless to the fullest extent permitted or authorized by the Certificate of Incorporation or Bylaws of the Company, or if greater, by applicable law, against any and all costs, expenses, liabilities and losses (including, without limitation, attorneys' and other professional fees and charges, judgments, interest, expenses of investigation, penalties, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) incurred or suffered by Executive in connection therewith or in connection with seeking to enforce his rights under this Section 7.1, and such indemnification shall continue as to Executive even if he has ceased to be a director, officer, member, employee, agent, manager, trustee, fiduciary, consultant or representative of the Company or other applicable entity and shall inure to the benefit of his heirs, executors and administrators. To the extent permitted by applicable law, Executive shall be entitled to prompt advancement of any and all costs and expenses (including attorneys' and other professional fees and charges) incurred by him in connection with any such Proceeding or Claim, or in connection with seeking to enforce his rights under this Section 7.1, any such advancement to be made within fifteen (15) days after Executive gives written notice, supported by reasonable documentation, requesting such advancement. Such notice shall include an undertaking by Executive to repay the amount advanced if he is ultimately determined not to be entitled to indemnification against such costs and expenses. Nothing in this Agreement shall operate to limit or extinguish any right to indemnification, advancement of expenses, or contribution that Executive would otherwise have (including by agreement or under applicable law).

7.2 Neither the failure of the Company (including its Board, independent legal counsel or stockholders) to have made a determination prior to the commencement of any Proceeding concerning payment of amounts claimed by Executive under Section 7.1 that indemnification of Executive is proper because he has met the applicable standard of conduct, nor a determination by the Company (including its Board, independent legal counsel or stockholders) that Executive has not met such applicable standard of conduct, shall create a presumption that Executive has not met the applicable standard of conduct.

7.3 A directors' and officers' liability insurance policy (or policies) shall be kept in place, during the Term and thereafter until the sixth anniversary of the Termination Date, providing coverage to Executive that is no less favorable to him in any respect (including with respect to scope, exclusions, amounts, and deductibles) than the coverage then being provided to any other present or former senior executive or director of the Company.

8. Representations And Further Agreements.

8.1 Executive represents, warrants and covenants to the Company that:

(a) on or prior to the date hereof, Executive has informed the Company of any judgment, order, agreement or arrangement of which he is currently aware and which may affect his right to enter into this Agreement and to fully perform his duties hereunder;

(b) Executive is knowledgeable and sophisticated as to business matters, 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;

(c) in entering into this Agreement, Executive is not knowingly breaching or violating any provision of any law or regulation; and

(d) Executive has not knowingly provided to the Company, nor been requested by the Company to provide, any confidential or non-public document or information of a former employer that constitutes or contains any protected trade secret, and will not knowingly use any protected trade secrets of any former employer in the course of his employment hereunder.

8.2 The Company represents and warrants that (a) it is fully authorized by action of the Board (and of any other Person or body whose action is required) to enter into this Agreement and to perform its obligations under it, (b) the execution, delivery and performance of this Agreement by it does not violate any applicable law, regulation, order, judgment or decree or any agreement, arrangement, plan or corporate governance document to which it is a party or by which it is bound and (c) upon the execution and delivery of this Agreement by the Parties, this Agreement shall be a valid and binding obligation of the Company, enforceable against it in accordance with its terms, except to the extent that enforceability may be limited by applicable bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally.

8.3 During the Term and thereafter Executive will, upon reasonable request and subject to such reasonable condition as Executive may reasonably establish: (a) cooperate with the Company in connection with any matter that arose during Executive's employment and that relates to the business or operations of the Company or any of its parent or subsidiary corporations or affiliates, or of which Executive may have any knowledge or involvement; and (b) consult with and provide information to the Company and its representatives concerning such matters. Such cooperation shall be rendered at reasonable times and places and in a manner that does not unreasonably interfere with any other employment in which Executive may then be engaged. Nothing in this Agreement shall be construed or interpreted as requiring Executive to provide any testimony or affidavit that is not truthful.

9. General Provisions.

9.1 Binding Effect; Delegation of Duties Prohibited. No rights or obligations of the Company under this Agreement may be assigned or transferred by the Company except that such rights and obligations may be assigned or transferred pursuant to a merger or consolidation, or the sale or liquidation of all or substantially all of the business and assets of the Company, provided that the assignee or transferee is the successor to all or substantially all of the business and assets of the Company and such assignee or transferee assumes the liabilities, obligations and duties of the Company, as contained in this Agreement, either contractually or as a matter of law. In the event of any merger, consolidation, other combination, sale of business and assets, or liquidation as described in the preceding sentence, the Company shall use its best reasonable efforts to cause such assignee or transferee to promptly and expressly assume the liabilities, obligations and duties of the Company hereunder. The duties and covenants of Executive under this Agreement, being personal, may not be assigned or delegated.

9.2 Notices. Any notice, consent, demand, request, or other communication given to a Person in connection with this Agreement shall be in writing and shall be deemed to have been duly given to such Person (x) when delivered personally to such Person or (y), provided that a written acknowledgment of receipt is obtained, five days after being sent by prepaid certified or registered mail, or two days after being sent by a nationally recognized overnight courier, to the address (if any) specified below for such Person (or to such other address as such Person shall have specified by ten days' advance notice given in accordance with this Section 9.2) or (z), in the case of the Company only, on the first business day after it is sent by facsimile to the facsimile number set forth below (or to such other facsimile number as shall have specified by ten days' advance notice given in accordance with this Section 9.2), with a confirmatory copy sent by certified or registered mail or by overnight courier in accordance with this Section 9.2.

If to the Company:

Charter Communications, Inc.
Charter Plaza
12405 Powerscourt Drive
St. Louis, MO 63131
Attn: Chairman of the Board; General Counsel

If to Executive:

The address of his principal residence as it appears in the Company's records, with a copy to him (during the Term) at his principal office and with a copy to:

Morrison Cohen LLP
909 Third Avenue
New York, New York 10022
Attn: Robert M. Sedgwick
Fax: (212) 735-8708

If to a successor or beneficiary of Executive:

The address most recently specified by Executive or his successor or beneficiary.

9.3 Miscellaneous.

(a) This Agreement contains the entire agreement between the Parties with respect to its specific subject matter and supersedes all prior oral and written communications, agreements and understandings between the Parties with respect to the terms and conditions of Executive's employment.

(b) No provision in this Agreement may be amended unless such amendment is set forth in a writing that expressly refers to the provision of this Agreement that is being amended and that is signed by Executive and by an authorized (or apparently authorized) officer of the Company. No waiver by any Person of any breach of any condition or provision contained in this Agreement shall be deemed a waiver of any similar or dissimilar condition or provision at the same or any prior or subsequent time. To be effective, any waiver must be set forth in a writing signed by the waiving Person and must specifically refer to the condition(s) or provision(s) of this Agreement being waived.

(c) In the event of any inconsistency between any provision of this Agreement and any provision of any employee handbook, personnel manual, or other Company Arrangement, the provisions of this Agreement shall control to the extent more favorable to Executive, unless Executive otherwise agrees in a writing that expressly refers to the provision of this Agreement whose control he is waiving. For avoidance of doubt, Section 12.2 of the Plan (relating to Section 280G of the Internal Revenue Code) shall not apply to Executive, and Section 6 of this Agreement shall instead apply.

(d) The headings of the Sections and sub-sections contained in this Agreement are for convenience only and shall not be deemed to control or affect the meaning or construction of any provision of this Agreement. When used in this Agreement, the word "including" shall not be construed as limiting any preceding words or terms.

(e) Except as otherwise set forth in this Agreement, the respective rights and obligations of the Parties hereunder shall survive any termination of Executive's employment.

(f) To the extent that any provision or portion of this Agreement shall be determined to be invalid or unenforceable for any reason, in whole or in part, the remaining provisions of this Agreement shall remain in full force and effect so as to achieve the intentions of the Parties, as set forth in this Agreement, to the maximum extent possible.

(g) 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 (provided that, in the event of arbitration pursuant to Section 9.5, the arbitrators shall enforce this Agreement in accordance with its express terms). With respect to orders in aid or enforcement of arbitration awards and injunctive relief, 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 and the Company waive 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.

(h) To the extent that any "additional tax" under Section 409A of the Internal Revenue Code on any amount payable under this Agreement or any other Company Arrangement would be avoided by delaying payment for six (6) months after the termination of Executive's employment with the Company, such payment shall be so delayed. In the event that Executive otherwise becomes subject to any tax, interest, or penalty under Section 409A of the Internal Revenue Code or any successor to such Section (collectively, a "409A Excise Tax") in connection with any payment or benefit under this Agreement or any other Company Arrangement (a "Deferred Compensation Payment"), then Executive shall be entitled to receive an additional payment (a "409A Gross-Up Payment") prior to the date on which such 409A Excise Tax is due to be paid (through withholding or otherwise) in an amount such that after payment by Executive of all income, excise, employment and other taxes incurred in connection with such Deferred Compensation Payment (and any interest or penalties imposed with respect to such taxes), Executive retains an amount of the 409A Gross-Up Payment equal to the 409A Excise Tax incurred in connection with such Deferred Compensation Payment. If requested by Executive, all relevant determinations shall be made in the first instance by a nationally-recognized independent accounting firm retained by the Company, with all fees and expenses to be paid by the Company.

9.4 Beneficiaries/References. Executive shall be entitled, to the extent permitted under applicable law and applicable Company Arrangements, to select and change a beneficiary or beneficiaries to receive any compensation or benefit hereunder following Executive's death by giving written notice thereof. In the event of Executive's death or a judicial determination of his

incompetence, references in this Agreement to Executive shall be deemed, where appropriate, to refer to his beneficiary, estate or other legal representative.

9.5 Arbitration. Any Claim arising out of or relating to this Agreement, any other agreement between the Parties, Executive's employment with the Company, or any termination thereof (collectively, "**Covered Claims**") shall (except to the extent otherwise provided in Section 5.7 with respect to certain requests for injunctive relief) be resolved by binding confidential arbitration, to be held in St. Louis, Missouri, before a panel or three arbitrators in accordance with the National Rules for Resolution of Employment Disputes of the American Arbitration Association and this Section 9.5. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. Pending the resolution of any Covered Claim, Executive (and his beneficiaries) shall continue to receive all payments and benefits due under this Agreement or otherwise, except to the extent that the arbitrators otherwise provide. In the event of any such proceeding, the losing party (as determined by the arbitrators) shall reimburse the prevailing party upon entry of a final award resolving the subject of the dispute for all reasonable legal expenses incurred.

9.6 Withholding Taxes. The Company may withhold from any amounts payable under this Agreement (or otherwise) any Federal, state, local or other taxes that it is required to withhold pursuant to any applicable law or regulation.

9.7 Counterparts; 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.

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

CHARTER COMMUNICATIONS, INC.

By: /s/ W. Lance Conn

Name: W. Lance Conn

Title: Director

Executive

/s/ Neil Smit

Neil Smit

EXHIBIT A

**FORM OF
NONQUALIFIED STOCK OPTION AGREEMENT**

THIS AGREEMENT, entered into as of August __, 2005 between Charter Communications, Inc., a Delaware corporation (together with its successors and assigns, the "Company"), and Neil Smit (the "Optionee").

In accordance with the Employment Agreement entered into as of August 9, 2005 between the Company and the Optionee (as from time to time amended in accordance with its terms, the "Employment Agreement"), the undersigned Optionee has been granted an Option to purchase shares of Class A Common Stock of the Company (each, a "Share"), subject to the terms and conditions of the Employment Agreement and this Agreement, as follows:

Vesting Schedule: Vesting in 3 equal installments on each of the first three anniversaries of the Effective Date

Exercise Price per Share: \$[Per Section 2.3(a) of the Employment Agreement]

Total Number of Shares under Option: 3,333,333

Total Exercise Price: \$ _____

Exercise Expiration Date: The 10th anniversary of the Effective Date (*i.e.*, August __, 2015)

Charter Communications, Inc.

By:
Title:

I, the undersigned, agree to this grant of an Option to purchase Shares of the Company, acknowledge that this grant is subject to the terms and conditions of the Employment Agreement, this Agreement and the Charter Communications, Inc. 2001 Stock Incentive Plan (the "Plan") and have read and understand the terms and conditions set forth in Sections 1 through 13 below.

Optionee

Neil Smit

1. Grant of Option.

1.1 The Company hereby grants to the Optionee as of the Effective Date the right and option (the "Option") to purchase all or any part of the Total Number of Shares under Option set forth above, subject to, and in accordance with, the terms and conditions set forth in the Employment Agreement, this Agreement and the Plan.

1.2 The Option is not intended to qualify as an incentive stock Option within the meaning of Section 422 of the Internal Revenue Code.

2. Purchase Price.

The price at which the Optionee shall be entitled to purchase Shares upon the exercise of the Option shall be the Exercise Price per Share set forth above.

3. Duration of Option.

The Option shall be exercisable to the extent and in the manner provided herein for a period of ten years from the Effective Date (the "Exercise Term") and shall expire as of the tenth (10th) anniversary of the Effective Date ("Exercise Expiration Date"); provided, however, that the Option may be earlier terminated as provided under the terms of this Agreement.

4. Exercisability of Option.

4.1 Except as otherwise provided in this Section 4, the Option shall be vested, and exercisable, with respect to one-third of the Shares that are subject to the Option as of 12:01 a.m. on each of the first three anniversaries of the Effective Date, and thus shall become fully exercisable as to all such Shares no later than August ____, 2008.

4.2 In the event that the Optionee's employment with the Company is terminated (x) by the Company for Cause, or (y) by the Optionee in a termination to which neither Section 4.3 (below) nor Section 4.4 (below) applies, then the Option, to the extent that it is or becomes exercisable as of the Termination Date, shall remain fully exercisable until 11:59 p.m. on the 30th day following such date, at which time it shall expire to the extent that it has not yet been exercised.

4.3 In the event of any termination of the Optionee's employment with the Company (w) by the Company in a termination to which neither Section 4.2 (above) nor Section 4.4 (below) applies, (x) by the Optionee in a Good Reason Termination, (y) by the Optionee during the 60-day period that commence 180 days after the occurrence of any Change in Control, or (z) due to the Optionee's death or Disability, then the Option (A) shall become fully vested and exercisable as of the Termination Date for all Shares that are then subject to it and (B) shall

remain fully exercisable until 11:59 p.m. on the second anniversary of such date, at which time the Option shall expire to the extent that it has not yet been exercised.

4.4 In the event that a termination of Optionee's employment governed by Section 3.4 of the Employment Agreement occurs, the Option shall be treated in accordance with clauses (a) and (b) of such Section 3.4.

4.5 Anything elsewhere to the contrary notwithstanding, this Option shall, to the extent that it has not then yet been exercised, expire at 11:59 p.m. on the Exercise Expiration Date.

5. Manner of Exercise and Payment.

5.1 The Option may be exercised by delivery of written notice in person, electronically or by mail to the Company, with a copy to the Plan Administrator (as defined in the Plan, or his or her designee). Such notice (x) shall state that the Optionee is electing to exercise the Option and the number of Shares in respect of which the Option is being exercised, (y) shall be signed by the person or persons exercising the Option and (z) shall be accompanied by payment in full (or an arrangement for the payment in full) of the purchase price, in accordance with Section 5.2 below, for the Shares in respect of which the Option is being exercised.

5.2 Payment of the purchase price for Shares purchased upon an exercise of this Option may be made **(i)** by delivery to the Company of cash, a wire transfer of available funds, or a check payable to the order of the Company in an amount equal to the purchase price of such Shares; **(ii)** by delivery to the Company of Shares then owned by the Optionee for at least six months having an aggregate Fair Market Value as of the date of delivery equal to the purchase price of such Shares; **(iii)** through reasonable cashless exercise procedures (including through E-Trade or its successor) that are from time to time established by the Company and that afford the Optionee the opportunity to sell immediately some or all of the Shares underlying the exercised portion of this Option in order to generate sufficient cash to pay the Option purchase price; or **(iv)** by any combination of (i), (ii) or (iii). Payment by delivery of Shares may be effected by delivering one or more stock certificates or by otherwise delivering Shares to the Company's reasonable satisfaction (including through an "attestation" procedure that is reasonably acceptable to the Company), in each case accompanied by such endorsements, stock powers, signature guarantees or other documents or assurances as may reasonably be required by the Company. If certificate(s) or other documentation representing Shares in excess of the amount required to be delivered are delivered by the Optionee, a certificate (or other satisfactory evidence of ownership) representing such excess shall promptly be returned to the Company. For purposes of this Agreement, "Fair Market Value", when used in respect of a Share as of a specified date, shall be determined in accordance with the Plan if such Share is listed or traded, as of such date, on any national securities exchange or national market system, and otherwise

shall mean fair market value as of the date in question determined without discount for lack of liquidity, lack of control, minority status, contractual restrictions, and similar factors, assuming an amply-funded strategic buyer for all Shares than outstanding.

5.3 The Company shall, upon payment in accordance with Section 5.2 above of the aggregate purchase price for the number of Shares purchased, treat the Optionee as the shareholder of record for such Shares and make prompt delivery of the Shares to the Optionee and pay all original issue and transfer taxes and all other fees and expenses incident to such delivery. All Shares delivered upon any exercise of this Option shall, when delivered, **(i)** be duly authorized, validly issued, fully paid and nonassessable, **(ii)** be registered for sale, and for resale, under U.S. state and federal securities laws to the extent that other Shares of the same class are then so registered or qualified and **(iii)** be listed, or otherwise qualified, for trading on any securities exchange or securities market on which Shares of the same class are then listed or qualified. The Company shall deliver cash in lieu of any fractional Share.

6. Nontransferability.

The Option shall be transferable only by will, by the laws of descent and distribution, or to any Person to which transfers are permitted to be authorized, as of the Effective Date, under Section 6.1(a) of the Plan. The terms of an Option shall be final, binding and conclusive upon the beneficiaries, executors, administrators, heirs and successors of the Optionee. If the Option has been transferred in accordance with this Section, the Option shall be exercisable solely by the transferee. The Option shall remain subject to the provisions of the Employment Agreement and this Agreement, including that it shall be exercisable only to the extent that the Optionee or Optionee's estate would have been entitled to exercise it if the Optionee had not transferred the Option.

7. No Right to Continued Employment.

Nothing in this Agreement or the Employment Agreement shall be interpreted or construed to confer upon the Optionee any right with respect to continued employment by the Company or any of its affiliates, nor shall this Agreement or the Employment Agreement interfere in any way with the right of the Company to terminate the Optionee's employment at any time in accordance with the Employment Agreement and this Agreement.

8. Adjustments.

Upon the occurrence of any merger, consolidation, reorganization, recapitalization, spin-off, split-up, combination, modification of securities, exchange of securities, liquidation, dissolution, share split, share dividend, other distribution of securities or other property in respect of shares or other securities (other than ordinary recurring cash dividends), or other change in corporate structure or capitalization affecting the rights or value of securities of any class then subject to this Option, appropriate adjustment(s) shall promptly be made by the Board or the Compensation

Committee as determined in its reasonable discretion in the number and/or kind of securities subject to this Option and/or in the exercise price and/or in other terms and conditions of this Option, and/or appropriate provision(s) shall promptly be made for supplemental distributions of cash, securities and/or other property, so as to avoid dilution or enlargement of the rights of the Optionee and the value represented by this Option. If an event occurs that may require an adjustment (or other action) pursuant to this Section 8, the Company shall promptly deliver to the Optionee a certificate, signed by an officer of the Company, setting forth in reasonable detail (x) the event in question and (y) either the adjustment (or other action) being implemented and the method by which such adjustment (or other action) was calculated or determined or the reasons why the Company believes no adjustment (or other action) is needed. Notwithstanding anything elsewhere to the contrary, the Optionee shall be treated no less favorably with respect to "Dividend Equivalent Rights" (as defined in the Plan as of the Effective Date) than any other senior executive of the Company who receives stock option grants in calendar year 2005.

9. Roll-Over Options Pursuant to Employment Agreement.

Without limiting Section 8, in the event of any merger, consolidation or other transaction (x) in which the Company is not the surviving entity or the Company becomes a Subsidiary of another entity and (y) following which the surviving entity or any Person of which it is a Subsidiary, or, if the Company survives as a Subsidiary of another entity, then such other entity or any Person of which such other entity is a Subsidiary, has publicly traded equity securities issued and outstanding, the Company shall take such steps as are reasonably necessary to assure that the Optionee shall be provided a replacement Option that (x) is exercisable for publicly-traded equity securities of the surviving entity, or of a Person of which the Company or the surviving entity is a Subsidiary, as the case may be, and (y) provides terms, conditions and an after-tax economic opportunity (including an aggregate spread value) no less favorable to the Optionee than did this Option immediately prior to such transaction. For purposes of this Agreement, "Subsidiary", when used in respect of any Person, shall mean any entity 50% or more of whose equity interests (measured either by Fair Market Value or by voting power) are owned, directly or indirectly through one or more Subsidiaries or affiliates, by such Person.

10. Withholding of Taxes.

At such times as the Optionee recognizes taxable income in connection with the receipt of Shares hereunder (a "Taxable Event"), the Optionee shall pay to the Company an amount equal to the federal, state and local taxes it is required to withhold in connection with the Taxable Event (the "Withholding Taxes") prior to the delivery of such Shares. The Optionee may satisfy any such tax obligation in any of the manners provided in Section 5 above for payment of the purchase price to the extent reasonably acceptable to the Company.

11. Miscellaneous.

11.1 As used in this Agreement, the terms "Cause," "Change in Control," "Disability," "Effective Date," "Good Reason Termination," "Board," "Compensation Committee," and "Person" shall have the meaning ascribed to them in the Employment Agreement.

11.2 The provisions of Sections 8.1(b), 8.1(c), 8.2, 9.1 (first two sentences only), 9.2, 9.3(b), 9.3(d), 9.3(e), 9.3(f), 9.4, 9.5 and 9.7 of the Employment Agreement (relating, respectively, to representations, assignability, notices, amendment and waiver, captions, survival, severability, beneficiaries and references, arbitration of disputes, and counterparts) shall be deemed incorporated herein in full, with the references to the "Agreement" in such Sections being treated as references to this Agreement, and the references to "Executive" in such Sections being treated as references to the Optionee. For avoidance of doubt, this Section 11.2 has been included in this Agreement solely for the purpose of avoiding the need to repeat herein the full text of the referenced provisions of the Employment Agreement.

11.3 In the event of any inconsistency among the provisions of the Employment Agreement, this Agreement and the Plan, the provisions most favorable to the Optionee shall govern.

EXHIBIT B

**FORM OF
RESTRICTED STOCK AGREEMENT**

THIS RESTRICTED STOCK AGREEMENT (the "Agreement") is made and entered into as of _____, 2005 (the "Grant Date") by and between Charter Communications, Inc., a Delaware corporation (together with its successors and assigns, the "Company"), and Neil Smit (the "Grantee" and, together with the Company, a "Party").

A. The Company and the Grantee have entered into an employment agreement entered into as of August 9, 2005 (the ("Employment Agreement"). Unless otherwise defined herein, capitalized terms used in this Agreement shall have the meanings set forth in the Employment Agreement.

B. In order to give the Grantee an opportunity to acquire an equity interest in the Company, and an incentive to provide services to the Company, the Company has agreed to grant the Grantee shares of the Class A Common Stock of the Company under the Charter Communications, Inc. 2001 Stock Incentive Plan as amended (the "Plan").

NOW, THEREFORE, in consideration of the mutual agreements contained herein, the Grantee and the Company hereby agree as follows:

1. Grant and Terms of Shares.

1.1 Grant of Shares. As of the Grant Date, the Company grants to the Grantee _____ shares of the Common Stock ("Shares"). The Grantee shall be the record and beneficial owner of all of such Shares from and following the Grant Date, subject only to the provisions of this Agreement.

1.2 Vesting of Restricted Stock. As of the Grant Date, the Shares shall be unvested. The Shares shall become vested, and all restrictions thereon shall lapse, in full on the first anniversary of the Effective Date, and thus shall become fully vested, without restrictions, no later than August __, 2006. Notwithstanding the foregoing, all Shares shall become vested, and all restrictions thereon shall lapse (i) on the Termination Date in the event of any termination of Grantee's employment (x) by the Company without Cause, (y) by the Grantee in a Good Reason Termination or (z) due to the Grantee's death or Disability, or (ii) on such earlier date as the Plan or the Company may then provide. Shares that do not vest in accordance with the foregoing provisions shall be canceled without payment of consideration to the Grantee.

1.3 Forfeiture of Unvested Shares Upon Certain Terminations of Employment. Notwithstanding Section 1.2, upon the occurrence of (i) any termination of the Grantee's employment for Cause or (ii) any termination of his employment by the Grantee (other than in a Good Reason Termination or for Disability), then any Shares that have not vested on or before the Termination Date shall be forfeited by the Grantee.

2. General Restrictions on Transfer of Shares. In no event shall the Grantee transfer, pledge or encumber any Shares that are not vested (or any right or interest therein) as of the date of transfer, pledge or encumbrance, whether voluntarily or by operation of law or otherwise, other than transfer by will, by the laws of descent and distribution, or to designated beneficiaries upon the Grantee's death. Any purported transfer of unvested Shares made in violation of this Section 2 shall be null and void and without force or effect.

3. Release of Shares.

3.1 Certificates. Certificates representing the Shares shall be held by the Company, along with one or more stock powers executed by the Grantee in blank (which stock powers shall be used by the Company solely to effect the forfeiture provisions of Section 1.3), until such time (if ever) as such Shares have become vested pursuant to Section 1.2 or otherwise. To the extent that any Shares become vested (and subject to the provisions of Section 4), one or more certificates representing the securities that then constitute such vested Shares (less any securities that then constitute such Shares that are used to satisfy Tax Obligations pursuant to Section 4), together with any securities or property received in respect of such Shares as provided in Section 3.2, and any associated stock powers, shall promptly be delivered to the Grantee. All securities delivered by the Company upon any vesting of Shares shall be (i) duly authorized, validly issued, fully paid and nonassessable, (ii) registered and qualified for sale, and for resale, under all applicable state and Federal securities laws (e.g., on SEC Form S-8) to the extent that other securities of the same class are then so registered and qualified and (iii) listed or otherwise qualified for trading on any national securities exchange or national securities market on which securities of the same class issued by the Company are then listed or qualified.

3.2 Rights as a Shareholder Beginning as of the Grant Date, the Grantee shall have all the rights of a stockholder of the Company with respect to all of the Shares, including the right to vote all such Shares and to receive dividends and other distributions thereon (including any securities, cash or other property issued or delivered in respect of, in exchange for, or on conversion of, any such Shares in connection with any merger, consolidation, combination, reorganization, recapitalization, spin-off, split-up, exchange of securities, liquidation, dissolution, share split, share dividend, cash dividend, or other transaction or event), provided, however, that (except as provided in the following sentence) any dividend or other distribution made in respect of such Shares (x) shall be deemed to be Shares received in substitution for, or in addition to and as part of, the Shares in respect of which such dividend or other distribution is made and (y) shall accordingly be subject to the same restrictions hereunder with respect to

vesting, transfer, forfeiture, and delivery upon vesting to which such Shares are subject. Notwithstanding anything elsewhere to the contrary, the Grantee shall be treated no less favorably with respect to immediate receipt of dividends and distributions (whether pursuant to Section 9.2 of the Plan or otherwise) than any other senior executive of the Company who receives a grant of Restricted Stock in calendar year 2005.

4. Tax Withholding.

4.1 The Company's obligation to deliver vested Shares to the Grantee shall be subject to the satisfaction of all applicable Federal, State and local income, excise and employment tax withholding requirements (the "Tax Obligations"). To the extent reasonably acceptable to the Company, the Grantee may satisfy, at his election, any Tax Obligation (i) by delivering to the Company a wire transfer of funds, or a check payable to the order of the Company, in an amount equal to the Tax Obligations, (ii) by delivering to the Company securities issued by the Company and then owned by the Grantee for at least six months having an aggregate "Fair Market Value" (as defined in Section 4.3 below) as of the date such securities are tendered to the Company equal to the Tax Obligations, (iii) by authorizing the Company to withhold Shares with a Fair Market Value as of the date of vesting equal to the Tax Obligations, (iv) in any other fashion that is then generally available or is reasonably acceptable to the Company (including any share sale program through E-Trade or its successor), or (v) by any combination of (i) through (iv).

4.2 Payment of any Tax Obligation by delivery of securities issued by the Company may be effected by delivering one or more stock certificates or by otherwise delivering securities to the Company's reasonable satisfaction (including through an "attestation" procedure that is reasonably acceptable to the Company), in each case accompanied by such endorsements, stock powers, signature guarantees or other documents or assurances as may reasonably be required by the Company. If a certificate or other documentation representing securities in excess of the amount required are delivered, a certificate (or other satisfactory evidence of ownership) representing the excess number of securities shall be returned to the Grantee by the Company.

4.3 For purposes of this Agreement, "Fair Market Value" shall have the meaning ascribed to such term in the Plan, provided that if such security is not then listed or traded on any national securities exchange or national market system, the Fair Market Value of such security shall mean the fair market value as of the date in question determined without discount for lack of liquidity, lack of control, minority status, contractual restrictions, and similar factors, and assuming an amply-funded strategic buyer for all such securities then outstanding.

5. Miscellaneous.

5.1 The provisions of Sections 8.1(b), 8.1(c), 8.2, 9.1 (first two sentences only), 9.2, 9.3(b), 9.3(d), 9.3(e), 9.3(f), 9.4, 9.5 and 9.7 of the Employment Agreement (relating, respectively, to representations, successors, notices, amendment and waiver, captions, survival, severability, beneficiaries/references, arbitration of disputes, and counterparts) shall be deemed incorporated herein in full, with the references to the "Agreement" in such Sections being treated as references to this Agreement and the references to "Executive" in such Sections being treated as references to the Grantee. For avoidance of doubt, this Section 5.1 has been included in this Agreement solely for the purpose of avoiding the need to repeat herein the full text of the referenced provisions of the Employment Agreement.

5.2 In the event of any inconsistency among the provisions of the Employment Agreement, this Agreement and the Plan, the provisions that are most favorable to Grantee shall govern.

5.3 Each Party agrees, upon reasonable request of the other Party and subject to such reasonable conditions as it may reasonably establish, to promptly prepare and/or execute any document that is reasonably necessary to carry out the purposes of this Agreement.

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

CHARTER COMMUNICATIONS, INC.

By: _____

Name:

Title:

THE GRANTEE

Neil Smit

EXHIBIT C

**FORM OF
RESTRICTED STOCK AGREEMENT**

THIS RESTRICTED STOCK AGREEMENT (the "Agreement") is made and entered into as of _____, 2005 (the "Grant Date") by and between Charter Communications, Inc., a Delaware corporation (together with its successors and assigns, the "Company"), and Neil Smit (the "Grantee" and, together with the Company, a "Party").

A. The Company and the Grantee have entered into an employment agreement entered into as of August 9, 2005 (the ("Employment Agreement"). Unless otherwise defined herein, capitalized terms used in this Agreement shall have the meanings set forth in the Employment Agreement.

B. In order to give the Grantee an opportunity to acquire an equity interest in the Company, and an incentive to provide services to the Company, the Company has agreed to grant the Grantee shares of the Class A Common Stock of the Company under the Charter Communications, Inc. 2001 Stock Incentive Plan as amended (the "Plan").

NOW, THEREFORE, in consideration of the mutual agreements contained herein, the Grantee and the Company hereby agree as follows:

1. Grant and Terms of Shares.

1.1 Grant of Shares. As of the Grant Date, the Company grants to the Grantee _____ shares of the Common Stock ("Shares"). The Grantee shall be the record and beneficial owner of all of such Shares from and following the Grant Date, subject only to the provisions of this Agreement.

1.2 Vesting of Restricted Stock. As of the Grant Date, the Shares shall be unvested. The Shares shall become vested, and all restrictions thereon shall lapse, in three equal installments on each of the first three anniversaries of the Effective Date, and thus shall become fully vested, without restrictions, no later than August __, 2008. Notwithstanding the foregoing, all Shares shall become vested, and all restrictions thereon shall lapse (i) on the Termination Date in the event of any termination of the Grantee's employment (x) by the Company without Cause, (y) by the Grantee in a Good Reason Termination or (z) due to the Grantee's death or Disability, or (ii) on such earlier date as the Plan or the Company may then provide. Shares that do not vest in accordance with the foregoing provisions shall be canceled without payment of consideration to the Grantee.

1.3 Forfeiture of Unvested Shares Upon Certain Terminations of Employment. Notwithstanding Section 1.2, upon the occurrence of (i) any termination of the Grantee's employment under the Employment Agreement for Cause or (ii) any termination of his employment by the Grantee (other than in a Good Reason Termination or for Disability), then any Shares that have not vested on or before the Termination Date shall be forfeited by the Grantee.

2. General Restrictions on Transfer of Shares. In no event shall the Grantee transfer, pledge or encumber any Shares that are not vested (or any right or interest therein) as of the date of transfer, pledge or encumbrances, whether voluntarily or by operation of law or otherwise, other than transfer by will, by the laws of descent and distribution, or to designated beneficiaries upon the Grantee's death. Any purported transfer of unvested Shares made in violation of this Section 2 shall be null and void and without force or effect.

3. Release of Shares.

3.1 Certificates. Certificates representing the Shares shall be held by the Company, along with one or more stock powers executed by the Grantee in blank (which stock powers shall be used by the Company solely to effect the forfeiture provisions of Section 1.3), until such time (if ever) as such Shares have become vested pursuant to Section 1.2 or otherwise. To the extent that any Shares become vested (and subject to the provisions of Section 4), one or more certificates representing the securities that then constitute such vested Shares (less any securities that then constitute such Shares that are used to satisfy Tax Obligations pursuant to Section 4), together with any securities or property received in respect of such Shares as provided in Section 3.2, and any associated stock powers, shall promptly be delivered to the Grantee. All securities delivered by the Company upon any vesting of Shares shall be (i) duly authorized, validly issued, fully paid and nonassessable, (ii) registered and qualified for sale, and for resale, under all applicable state and Federal securities laws (e.g., on SEC Form S-8) to the extent that other securities of the same class are then so registered and qualified and (iii) listed or otherwise qualified for trading on any national securities exchange or national securities market on which securities of the same class issued by the Company are then listed or qualified.

3.2 Rights as a Shareholder Beginning as of the Grant Date, the Grantee shall have all the rights of a stockholder of the Company with respect to all of the Shares, including the right to vote all such Shares and to receive dividends and other distributions thereon (including any securities, cash or other property issued or delivered in respect of, in exchange for, or on conversion of, any such Shares in connection with any merger, consolidation, combination, reorganization, recapitalization, spin-off, split-up, exchange of securities, liquidation, dissolution, share split, share dividend, cash dividend, or other transaction or event), provided, however, that (except as provided in the following sentence) any dividend or other distribution made in respect of such Shares (x) shall be deemed to be Shares received in substitution for, or in addition to and as part of, the Shares in respect of which such dividend or other distribution is

made and (y) shall accordingly be subject to the same restrictions hereunder with respect to vesting, transfer, forfeiture, and delivery upon vesting to which such Shares are subject. Notwithstanding anything elsewhere to the contrary, the Grantee shall be treated no less favorably with respect to immediate receipt of dividends and distributions (whether pursuant to Section 9.2 of the Plan or otherwise) than any other senior executive of the Company who receives a grant of Restricted Stock in calendar year 2005.

4. Tax Withholding.

4.1 The Company's obligation to deliver vested Shares to the Grantee shall be subject to the satisfaction of all applicable Federal, State and local income, excise and employment tax withholding requirements (the "Tax Obligations"). To the extent reasonably acceptable to the Company, the Grantee may satisfy, at his election, any Tax Obligation (i) by delivering to the Company a wire transfer of funds, or a check payable to the order of the Company, in an amount equal to the Tax Obligations, (ii) by delivering to the Company securities issued by the Company and then owned by the Grantee for at least six months having an aggregate "Fair Market Value" (as defined in Section 4.3 below) as of the date such securities are tendered to the Company equal to the Tax Obligations, (iii) by authorizing the Company to withhold Shares with a Fair Market Value as of the date of vesting equal to the Tax Obligations, (iv) in any other fashion that is then generally available or is reasonably acceptable to the Company (including any share sale program through E-Trade or its successor), or (v) by any combination of (i) through (iv).

4.2 Payment of any Tax Obligation by delivery of securities issued by the Company may be effected by delivering one or more stock certificates or by otherwise delivering securities to the Company's reasonable satisfaction (including through an "attestation" procedure that is reasonably acceptable to the Company), in each case accompanied by such endorsements, stock powers, signature guarantees or other documents or assurances as may reasonably be required by the Company. If a certificate or other documentation representing securities in excess of the amount required are delivered, a certificate (or other satisfactory evidence of ownership) representing the excess number of securities shall be returned to the Grantee by the Company.

4.3 For purposes of this Agreement, "Fair Market Value" shall have the meaning ascribed to such term in the Plan, provided that if such security is not then listed or traded on any national securities exchange or national market system, the Fair Market Value of such security shall mean the fair market value as of the date in question determined without discount for lack of liquidity, lack of control, minority status, contractual restrictions, and similar factors, and assuming an amply-funded strategic buyer for all such securities then outstanding.

5. Miscellaneous.

5.1 The provisions of Sections 8.1(b), 8.1(c), 8.2, 9.1 (first two sentences only), 9.2, 9.3(b), 9.3(d), 9.3(e), 9.3(f), 9.4, 9.5 and 9.7 of the Employment Agreement (relating, respectively, to representations, successors, notices, amendment and waiver, captions, survival, severability, beneficiaries/references, arbitration of disputes, and counterparts) shall be deemed incorporated herein in full, with the references to the "Agreement" in such Sections being treated as references to this Agreement and the references to "Executive" in such Sections being treated as references to the Grantee. For avoidance of doubt, this Section 5.1 has been included in this Agreement solely for the purpose of avoiding the need to repeat herein the full text of the referenced provisions of the Employment Agreement.

5.2 In the event of any inconsistency among the provisions of the Employment Agreement, this Agreement and the Plan, the provisions that are most favorable to Grantee shall govern.

5.3 Each Party agrees, upon reasonable request of the other Party and subject to such reasonable conditions as it may reasonably establish, to promptly prepare and/or execute any document that is reasonably necessary to carry out the purposes of this Agreement.

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

CHARTER COMMUNICATIONS, INC.

By: _____

Name:

Title:

THE GRANTEE

Neil Smit

EXHIBIT D
FORM OF PERFORMANCE SHARE AWARD AGREEMENT

[To be inserted]

EXHIBIT E

MUTUAL RELEASE

This Mutual Release of Claims (this "Release") is made as of the "Termination Date" (as defined in that certain Employment Agreement, dated August 9, 2005, to which Executive and the Company are parties, as such agreement is from time to time amended in accordance with its terms (the "Employment Agreement")), by and between **CHARTER COMMUNICATIONS, INC.**, a Delaware corporation (together with its successors and assigns, the "Company"), and Neil Smit, an individual ("Executive").

1. Release of Claims by Executive.

(a) Pursuant to Section 3.3(d) of the Employment Agreement, Executive, with the intention of binding himself and his heirs, executors, administrators and assigns (collectively, and together with Executive, the "Executive Releasers"), hereby releases, remises, acquits and forever discharges the Company and each of its subsidiaries and affiliates (the "Company Affiliated Group"), and their past and present directors, employees, agents, attorneys, accountants, representatives, plan fiduciaries, and the successors, predecessors and assigns of each of the foregoing (collectively, and together with the members of the Company Affiliated Group, the "Company Released Parties"), of and from (and agrees to promptly and fully indemnify each Company Released Party against) any and all claims, actions, causes of action, complaints, charges, demands, rights, damages, debts, sums of money, accounts, financial obligations, suits, expenses, attorneys' fees and liabilities of whatever kind or nature in law, equity or otherwise, whether accrued, absolute, contingent, unliquidated or otherwise and whether now known or unknown, suspected or unsuspected, that arise out of, or relate in any way to, Executive's employment with the Company or the termination thereof (collectively, "Released Claims") and that Executive, individually or as a member of a class, now has, owns or holds, or has at any time heretofore had, owned or held, against any Company Released Party in any capacity, including any and all Released Claims (i) arising out of or in any way connected with Executive's service to any member of the Company Affiliated Group (or the predecessors thereof) in any capacity (including as an employee, officer or director), or the termination of such service in any such capacity, (ii) for severance or vacation benefits, unpaid wages, salary or incentive payments, (iii) for breach of contract, wrongful discharge, impairment of economic opportunity, defamation, intentional infliction of emotional harm or other tort, (iv) for any violation of applicable state and local labor and employment laws (including all laws concerning unlawful and unfair labor and employment practices) and (v) for employment discrimination under any applicable federal, state or local statute, provision, order or regulation, and including, without limitation, any claim under Title VII of the Civil Rights Act of 1964 ("Title VII"), the Age Discrimination in Employment Act ("ADEA") and any similar or analogous state statute, excepting only that no claim in respect of any of the following rights shall constitute a Released Claim:

(1) any right arising under, or preserved by, this Release or Section 3, 4, 5, 6, 7, 8.3 or 9 of the Employment Agreement;

(2) for avoidance of doubt, any right to indemnification under (i) applicable corporate law, (ii) the Employment Agreement, (iii) the by-laws or certificate of incorporation of any Company Released Party, (iv) any other agreement between Executive and a Company Released Party or (v) as an insured under any director's and officer's liability insurance policy now or previously in force;

(3) for avoidance of doubt, any claim for benefits under any health, disability, retirement, life insurance or similar employee benefit plan of the Company Affiliated Group (the "Company Benefit Plans"); or

(4) any right arising by reason of any Company Released Party having committed a crime or an act or omission to act which constitutes fraud, willful misconduct or gross negligence.

(b) No Executive Releasor shall file or cause to be filed any action, suit, claim, charge or proceeding with any governmental agency, court or tribunal relating to any Released Claim within the scope of this Section 1.

(c) In the event any action, suit, claim, charge or proceeding within the scope of this Section 1 is brought by any government agency, putative class representative or other third party to vindicate any alleged rights of Executive, (i) Executive shall, except to the extent required or compelled by law, legal process or subpoena, refrain from participating, testifying or producing documents therein, and (ii) all damages, inclusive of attorneys' fees, if any, required to be paid to Executive by the Company as a consequence of such action, suit, claim, charge or proceeding shall be repaid to the Company by Executive within ten (10) days of his receipt thereof.

(d) Certain amounts and other benefits set forth in Section 3.3 of the Employment Agreement, to which Executive would not otherwise be entitled, are being paid to Executive in return for this Release and Executive's agreements and covenants contained in the Employment Agreement. Executive acknowledges and agrees that the release of claims set forth in this Section 1 is not to be construed in any way as an admission of any liability whatsoever by any Company Released Party, any such liability being expressly denied.

(e) The release of claims set forth in this Section 1 applies to any relief in respect of any Released Claim of any kind, no matter how called, including wages, back pay, front pay, compensatory damages, liquidated damages, punitive damages, damages for pain or suffering, costs, and attorney's fees and expenses. Executive specifically acknowledges that his acceptance of the terms of the release of claims set forth in this Section 1 is, among other things, a specific waiver of his rights, claims and causes of action under Title VII, ADEA and any state or local law or regulation in respect of discrimination of any kind; provided, however, that nothing herein

shall be deemed, nor does anything contained herein purport, to be a waiver of any right or claim or cause of action which by law Executive is not permitted to waive.

2. Voluntary Execution of Agreement.

BY HIS SIGNATURE BELOW, EXECUTIVE ACKNOWLEDGES THAT:

- (a) HE HAS RECEIVED A COPY OF THIS RELEASE AND WAS OFFERED A PERIOD OF TWENTY-ONE (21) DAYS TO REVIEW AND CONSIDER IT;
- (b) IF HE SIGNS THIS RELEASE PRIOR TO THE EXPIRATION OF TWENTY-ONE (21) DAYS, HE KNOWINGLY AND VOLUNTARILY WAIVES AND GIVES UP THIS RIGHT OF REVIEW;
- (c) HE HAS THE RIGHT TO REVOKE THIS RELEASE FOR A PERIOD OF SEVEN DAYS AFTER HE SIGNS IT BY MAILING OR DELIVERING A WRITTEN NOTICE OF REVOCATION TO THE COMPANY NO LATER THAN THE CLOSE OF BUSINESS ON THE SEVENTH DAY AFTER THE DAY ON WHICH HE SIGNED THIS RELEASE;
- (d) THIS RELEASE SHALL NOT BECOME EFFECTIVE OR ENFORCEABLE UNTIL THE FOREGOING SEVEN-DAY REVOCATION PERIOD HAS EXPIRED WITHOUT THE RELEASE HAVING BEEN REVOKED;
- (e) THIS RELEASE WILL, EXCEPT AS OTHERWISE PROVIDED IN 3.3(d) OF THE EMPLOYMENT AGREEMENT, BE FINAL AND BINDING AFTER THE EXPIRATION OF THE FOREGOING REVOCATION PERIOD REFERRED TO IN SECTION 2(c), AND FOLLOWING SUCH REVOCATION PERIOD EXECUTIVE AGREES NOT TO CHALLENGE ITS ENFORCEABILITY;
- (f) HE IS AWARE OF HIS RIGHT TO CONSULT AN ATTORNEY, HAS BEEN ADVISED IN WRITING TO CONSULT WITH AN ATTORNEY, AND HAS HAD THE OPPORTUNITY TO CONSULT WITH AN ATTORNEY, IF DESIRED, PRIOR TO SIGNING THIS RELEASE;
- (g) NO PROMISE OR INDUCEMENT FOR THIS RELEASE HAS BEEN MADE EXCEPT AS SET FORTH IN THE EMPLOYMENT AGREEMENT AND THIS RELEASE;
- (h) HE HAS CAREFULLY READ THIS RELEASE, ACKNOWLEDGES THAT HE HAS NOT RELIED ON ANY REPRESENTATION OR STATEMENT, WRITTEN OR ORAL, NOT SET FORTH IN THIS DOCUMENT OR THE EMPLOYMENT AGREEMENT, AND WARRANTS AND REPRESENTS THAT HE IS SIGNING THIS RELEASE KNOWINGLY AND VOLUNTARILY.

3. Release of Claims by the Company.

(a) Pursuant to Section 3.3(d) of the Employment Agreement, the Company, with the intention of binding itself and each of the other Company Released Parties, hereby releases, remises, acquits and forever discharges each Executive Releasor of and from (and agrees to promptly and fully indemnify each Executive Releasor against) any and all Released Claims which any Company Released Party, individually or as a member of a class, now has, owns or holds, or has at any time heretofore had, owned or held, against any Executive Releasor, excepting only that no claim in respect of any of the following rights shall constitute a Released Claim:

(1) any right of any Company Released Party arising under, in or preserved by, this Release, Section 3, 4, 5, 6, 7, 8.3 or 9 of the Employment Agreement, or any Company Benefit Plan; and

(2) any right of any Company Released Party arising by reason of Executive having committed a crime or an act or omission to act which constitutes fraud, willful misconduct or gross negligence.

(b) No Company Released Party shall file or cause to be filed any action, suit, claim, charge or proceeding with any governmental agency, court or tribunal relating to any Released Claim within the scope of this Section 3.

(c) The Company acknowledges and agrees that the release of claims set forth in this Section 3 is not to be construed in any way as an admission of any liability whatsoever by any Executive Releasor, any such liability being expressly denied.

(d) The release of claims set forth in this Section 3 applies to any relief with respect to any Released Claim no matter how called, including compensatory damages, liquidated damages, punitive damages, damages for pain or suffering, costs, and attorney's fees and expenses.

(e) Nothing herein shall be deemed, nor does anything contained herein purport, to be a waiver of any right or claim or cause of action which by law any Company Released Party is not permitted to waive.

4. Miscellaneous.

The provisions of Sections 8.1(b), 8.1(c), 8.2, 9.1, 9.2, 9.3(b), 9.3(d), 9.3(f), 9.3(g), 9.4 (second sentence only), 9.5 and 9.7 of the Employment Agreement (relating, respectively, to representations, successors, notices, amendments/waivers, headings, severability, choice of law, references, arbitration and counterparts/faxed signatures), shall apply to this Release as if set fully forth in full herein, with references in such Sections to "this Agreement" being deemed, as appropriate, to be references to this Release. For avoidance of doubt, this Section 4 has been

included in this Release solely for the purpose of avoiding the need to repeat herein the full text of the referenced provisions of the Employment Agreement.

[signature page follows]

IN WITNESS WHEREOF, the Company and Executive have acknowledged, executed and delivered this Release as of the Termination Date.

Executive

Neil Smit

CHARTER COMMUNICATIONS, INC.

By: _____

Name:

Title:

NEWS



FOR RELEASE: 7:30 AM CT, Tuesday, August 9, 2005

CHARTER NAMES NEIL SMIT AS PRESIDENT AND CEO

Former AOL Access Business President Brings Extensive Experience In Customer Service, Sales, Marketing and Operations

St. Louis, MO - Charter Communications, Inc. (Nasdaq: CHTR) (along with its subsidiaries, the "Company" or "Charter") today announced that its Board of Directors has unanimously elected Neil Smit to the position of President and Chief Executive Officer, effective August 22, 2005. Mr. Smit will also serve as a member of Charter's Board of Directors. He succeeds Robert P. May, a Charter Board Member who has served as Charter's Interim President and Chief Executive Officer since January 2005. Mr. May will remain a member of Charter's Board of Directors and a member of its Strategic Planning Committee.

Mr. Smit brings significant operational experience to Charter, having most recently served as the President of Time Warner's America Online Access Business, overseeing Internet access services including AOL, CompuServe, and Netscape ISP. As President, he was responsible for all aspects of the \$5 billion revenue, 21 million-member ISP business, including member acquisitions, retention, brand marketing, product definition, customer service, business development and finance. He oversaw the work of more than 11,000 people.

"Neil is a proven, talented executive with the right combination of operational, marketing and customer service skills to lead Charter to the next level," said Paul G. Allen, Chairman of Charter's Board of Directors. "He brings a wealth of practical know-how built over an impressive 20-year career working with multi-service providers and leading consumer brands. He also has a real vision of the opportunities and challenges in today's rapidly converging entertainment and communications industries that will benefit Charter. We're delighted he's part of our team and look forward to him continuing to implement our comprehensive operations improvement program to better position Charter for growth."

"I am excited to be joining Charter and I look forward to being part of Charter's management team as we continue the positive momentum begun over the past year to stimulate growth and deliver value to our customers and shareholders," Mr. Smit said. "Charter has the workforce, the network, and the products and services in place to become a formidable player in the provision of bundled video, data and telecommunications services, where technological advances and quality customer care provide real growth opportunities."

Mr. Smit, 46, has an extensive background in customer service, sales and operations. At AOL, he was also Executive Vice President, Member Development, where he oversaw retention marketing, customer service, new revenue and renewal/payment marketing. He also served as Executive Vice President, Member Services, AOL's largest operational role, and oversaw its global service-center staff of 10,000 that handle issues such as registration, retention, billing, upsell and technical assistance. Prior to that, Mr. Smit had been Senior Vice President of AOL's product and programming team, where he managed programming, promotion, and market development for AOL categories including autos, computing, consumer electronics, consumer packaged goods, local, and small business. He also has served as Chief Operating Officer of AOL Local, managing all aspects of programming and technology for the group and as Chief Operating Officer of MapQuest managing its three business areas.

Before joining AOL in 2000, Mr. Smit spent 10 years in the consumer packaged-goods industry. He was a regional president with Nabisco where he was responsible for 75 leading brands and a staff of 4,000. He also held management positions with Pillsbury.

Mr. Smit has a bachelor of science degree from Duke University, and a master's degree with focus in international business from Tufts University's Fletcher School of Law and Diplomacy in Medford, MA. He served in the United States Navy as a Navy SEAL, achieving the rank of Lieutenant Commander.

Commenting on Mr. May, Mr. Allen said, "As we welcome Neil to Charter, the Board extends our sincere thanks to Bob May, whose leadership has been vital to Charter over these past eight months while we conducted this extensive CEO search. Bob has earned many times over the respect of both our Board and our employees, and we look forward to his continued service to our Company as a Board Member."

"It has been a great privilege to serve Charter as Interim President and CEO, and to work with the 16,000 finest employees in the industry," Mr. May said. "I am very proud that our focus on disciplined operational improvement and execution is gaining traction, resulting in positive financial results for two consecutive quarters this year. I look forward to helping Neil during the transition and to returning to my work as an active member of the Board of Directors."

About Charter Communications

Charter Communications, Inc., a broadband communications company, provides a full range of advanced broadband services to the home, including cable television on an advanced digital video programming platform via Charter Digital™, Charter High-Speed™ Internet service and Charter Telephone™. Charter Business™ provides scalable, tailored and cost-effective broadband communications solutions to organizations of all sizes through business-to-business Internet, data networking, video and music services. Advertising sales and production services are sold under the Charter Media® brand. More information about Charter can be found at www.charter.com.

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Cautionary Statement Regarding Forward-Looking Statements:

This release 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. 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. Many of the forward-looking statements contained in this release 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 release are set forth in reports or documents that we file from time to time with the SEC, and include, but are not limited to:

- the availability 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;*
- 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 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 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 repay or refinance debt as it becomes due;*
- our ability to obtain programming at reasonable prices or to pass 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 taxing 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 release.