

APPENDIX A Conditions

I. DEFINITIONS

For purposes of the conditions set forth in Sections I-XX below (“Conditions”), capitalized terms shall have the meanings set forth below:

“AAA” means the American Arbitration Association.

“AAA Rules” means the rules of the AAA from time to time in effect.

“Affiliate” of any person means any person directly or indirectly controlling, controlled by, or under common control with, such person at the time at which the determination of affiliation is being made.

“Attributable Interest” means a cognizable interest in an entity as defined pursuant to 47 C.F.R. §76.1000(b).

“Benchmark Condition” means that an OVD has entered into at least one agreement for Video Programming with a Broadcast Network, Cable Programmer, Production Studio or Film Studio that is not an Affiliate of the OVD.

“Broadband Internet Access Service” means a mass-market retail service by wire or radio that provides the capability to transmit data to and receive data from all or substantially all Internet endpoints, including any capabilities that are incidental to and enable the operation of the communications service, but excluding dial-up Internet access service. This term also encompasses any service that the Commission finds to be providing a functional equivalent of the service described in the previous sentence, or that is used to evade the Conditions.

“Broadcast Network” means The Walt Disney Company (ABC), CBS, Inc. (CBS), News Corporation (FOX), and their managed or controlled subsidiaries, and their successors and assigns, and any other Person that is one of the top three providers (other than a C-NBCU Programmer) of live or recorded Video Programming over a group of local television stations by U.S. broadcast revenue in the latest declared financial year.

“Business Day” means any day that is not a Saturday or Sunday or a federal holiday.

“Cable Programmer” means Time Warner, Inc., The Walt Disney Company, News Corporation, Viacom, Inc., and their managed or controlled subsidiaries, successors and assigns, and any other Person other than a Broadcast Network or local television station that is one of the four top providers (other than a C-NBCU Programmer) of Video Programming for distribution through MVPDs by U.S. cable revenue in the latest declared financial year.

“Carriage Agreement” means any retransmission consent agreement for broadcast programming or any other agreement for carriage of Video Programming by an MVPD or OVD.

“Claimant” means an MVPD, Qualified OVD or Bargaining Agent.

“Closing” or “Closing the Transaction” means the consummation of the transaction by and among General Electric, NBCU, and Comcast more fully described in paragraphs 1-19 of this Order.

“C-NBCU” means the joint venture created as a result of the transaction approved with conditions by this Order together with its subsidiaries, Affiliates, successors, and assigns.

“C-NBCU Programmer” means Comcast, C-NBCU, their Affiliates and any entity for which Comcast or C-NBCU manages or controls the licensing of Video Programming and/or any local broadcast television station on whose behalf Comcast or NBCU negotiates retransmission consent.¹

“Comcast” means Comcast Corporation together with its Affiliates, successors and assigns.

“Comparable Programming” means Video Programming that is reasonably similar in kind and amount. For purposes of determining whether Video Programming constitutes Comparable Programming, the parties or an arbitrator, as applicable, shall consider the following factors, among others:

- (i) the number of channels and/or shows; and
- (ii) the similarity of the value of the Video Programming, as evidenced by ratings, affiliate fees and/or advertising revenues and the time elapsed since the programming was first distributed.²

The following categories of Video Programming are not Comparable Programming (among others):³

- (i) programming made available for presentation a day or more after it is first presented to viewers is not comparable to programming made available for presentation the first day;
- (ii) sports programming is not comparable to non-sports programming;
- (iii) local news programming is not comparable to programming that is not local news programming;
- (iv) prior season programming is not comparable to original, first-run programming;
- (v) broadcast programming is not comparable to cable programming;
- (vi) Children’s Programming is not comparable to programming that is not Children’s Programming (defined, only with regard to Section XIII, as programming originally produced and aired primarily for an audience of children 12 years old or younger);
- (vii) Films are not comparable to non-Film programming; and

¹ Comcast and NBCU are prohibited from acquiring an Attributable Interest in any provider of Video Programming unless that provider is obliged to abide by the conditions set forth in this Appendix.

² If an agreement triggering the Benchmark Condition involves substantially all of a Person’s linear channel(s), then the C-NBC Programmer may require the OVD to license a bundle of substantially all of C-NBCU’s linear channels (plus other rights if included in the triggering agreement) as the Comparable Programming. If the C-NBCU Programmer opts to license less than the bundle described above, then the parties or arbitrator (as applicable) shall take into account any pricing adjustments from the bundled price necessary to reflect fair market value.

³ Programming shall not cease to be comparable solely because packages of programming contain some programming that is not comparable. For example, a channel, a bundle of channels or a bundle of programs may contain both sports and non-sports programming and still be eligible to trigger the Benchmark Condition or serve as Comparable Programming provided by a C-NBCU Programmer. If a bundle contains a mix of programming, some of which is comparable and some of which is not comparable, the C-NBCU Programmer shall satisfy a demand under the Benchmark Condition to the extent possible by providing programming that is similar in amount to the programming triggering the Benchmark Condition to the extent that programming is comparable to programming of C-NBCU Programmers (e.g., if an OVD obtains 10 shows triggering the Benchmark Condition, 5 of which are comparable to C-NBCU programming, C-NBCU Programmers would have to provide 5 shows).

- (viii) Films in the following categories are not comparable to each other: (x) Films less than five years from initial theatrical distribution, and (y) Films over five years from initial theatrical distribution.

“Economic Model” means the primary method by which the Video Programming is monetized (*e.g.*, ad-supported, subscription without ads, subscription with ads, electronic sell through (“EST”) or PPV/TVOD) reflected in the terms of the agreement(s) for the Comparable Programming.

“Experimental Deal” means an agreement between an OVD and another Person for a term of six months or less.⁴

“Film” means a feature-length motion picture that has been theatrically released.

“Film Studio” means Warner Bros. Entertainment, Fox Filmed Entertainment, Paramount Motion Pictures, Sony Pictures Entertainment, Walt Disney Motion Pictures Group, and their managed or controlled subsidiaries, successors and assigns, and any other Person that is one of the top five distributors (other than a C-NBCU Programmer) of Films by U.S. box office gross revenue in the latest declared financial year.

“MVPD” means a multichannel video programming distributor as that term is defined in 47 C.F.R. § 76.1200(b).

“MVPD Price Condition” means that an OVD is willing to pay the economic equivalent of the price, terms and conditions on which C-NBCU Programmers provide Video Programming to MVPDs.

“NBCU” means NBC Universal, Inc. and its Affiliates.

“Online Video Programming” means Video Programming that any C-NBCU Programmer has the right to enable others (including but not limited to other MVPDs and OVDs, but not including solely Comcast or C-NBCU) to display by means of the (i) Internet or (ii) other IP-based transmission path provided by a Person other than the OVD.

“Order Date” or “date of this Order” means the date on which the Commission releases its Order in MB Docket No. 10-56 resolving the Application, as defined therein.

“OVD” means any entity that provides Video Programming by means of the (i) the Internet or other IP-based transmission path provided by a Person other than the OVD. An OVD does not include an MVPD inside its MVPD footprint or an MVPD to the extent it is offering Online Video Programming as a component of an MVPD subscription to customers whose homes are inside its MVPD footprint.

“Person” means any natural person, corporation, company, partnership, joint venture, firm, association, proprietorship, agency, board, authority, commission, officer, or other business or legal entity, whether private or governmental.

“Production Studio” means Warner Bros. Television, 20th Century Fox Television, Paramount/CBS Television Studios, Sony Pictures Television, Disney-ABC Studios, and their managed or controlled subsidiaries, successors and assigns, and any other Person that is one of the top five producers (other than a C-NBCU Programmer) of Video Programming for distribution through Broadcast Networks or Cable Programmers by U.S. production revenue in the latest declared financial year.

⁴ The fact that an agreement includes termination provisions, including termination for convenience, shall not be deemed to reduce the term of the agreement for purposes of this definition. Agreements shall also be deemed to have a term of more than six months if they have no termination, renew automatically unless cancelled for an aggregate term of more than six months, are renewed so they last more than six months in the aggregate, or are successive agreements containing substantially similar conditions and cover substantially similar programming.

“Qualified OVD” means any OVD that meets either or both of (i) the MVPD Price Condition and (ii) the Benchmark Condition.

“Regional Sports Network” and “RSN” mean any non-broadcast video programming service that (i) provides live or same-day distribution within a limited geographic region of sporting events of a sports team that is a member of Major League Baseball, the National Basketball Association, the National Football League, the National Hockey League, NASCAR, NCAA Division I Football, NCAA Division I Basketball and (ii) in any year, carries a minimum of either 100 hours of programming that meets the criteria set forth in (i) above, or 10% of the regular season games of at least one sports team that meets the criteria set forth in (i) above.

“Similarly Situated MVPD” means an MVPD that is comparable to the OVD seeking a license for Online Video Programming.

“Specialized Service” means any service provided over the same last-mile facilities used to deliver Broadband Internet Access Service other than (i) Broadband Internet Access Services, (ii) services regulated either as telecommunications services under Title II of the Communications Act or as MVPD services under Title VI of the Communications Act, or (iii) Comcast’s existing VoIP telephony service.

“Video Programming” means programming provided by, or generally considered comparable to programming provided by, a television broadcast station or cable network, regardless of the medium or method used for distribution, and includes but is not limited to: programming prescheduled by the programming provider (also known as scheduled programming or a linear feed); programming offered to viewers on an on-demand, point-to-point basis (also known as video on demand (“VOD”), pay per view (“PPV”) or transactional video on demand (“TVOD”)); short programming segments (also known as clips); programming that includes multiple video sources (also known as feeds, including camera angles); programming that includes video in different qualities or formats (including high-definition and 3D); and Films for which a year or more has elapsed since their theatrical release.

“Video Programming Vendor” has the meaning given that term under 47 C.F.R. § 76.1300(e).

II. CONDITION CONCERNING ACCESS TO C-NBCU PROGRAMMING

If negotiations fail to produce a mutually acceptable set of price, terms and conditions for a Carriage Agreement with one or more C-NBCU Programmers, an MVPD or Bargaining Agent may choose to submit a dispute to commercial arbitration in accordance with the procedures in Section VII below.

III. CONDITIONS CONCERNING CARRIAGE OF UNAFFILIATED VIDEO PROGRAMMING

1. Comcast shall not discriminate in Video Programming distribution on the basis of affiliation or non-affiliation of a Video Programming Vendor in the selection, price, terms or conditions of carriage (including but not limited to on the basis of channel or search result placement).

2. If Comcast now or in the future carries news and/or business news channels in a neighborhood, defined as placing a significant number or percentage of news and/or business news channels substantially adjacent to one another in a system's channel lineup, Comcast must carry all independent news and business news channels in that neighborhood.

3. Comcast shall add ten new independently owned-and-operated channels to its digital (D1) tier on customary terms and conditions as follows: (i) one channel within 18 months of the Order Date; (ii) two additional channels within two years of the Order Date; (iii) one additional channel within three years of the Order Date; (iv) two additional channels within six years of the Order Date; and (v) four additional channels within eight years of the Order Date. For purposes of this Condition, independent

entities deemed to be eligible for such channels are those networks that are not carried by Comcast and not an Affiliate of Comcast or a top 15 programming network, as measured by annual revenues.

4. For purposes of enforcing the Conditions of this Section III, any Video Programming Vendor may submit a dispute to the Commission in accordance with the Commission's program carriage complaint procedures, 47 C.F.R. § 76.1302.

IV. ONLINE CONDITIONS

A. ONLINE PROGRAM ACCESS

1. **MVPDs:** For any Online Video Programming that any C-NBCU Programmer licenses to any Affiliated or non-Affiliated MVPD for online display, the C-NBCU Programmer shall provide that Online Video Programming at fair market value and on non-discriminatory prices, terms and conditions to any other MVPD for online display.

2. **Qualified OVDs:**

a. **MVPD Price Condition:**

- (i) For any Qualified OVD that satisfies the MVPD Price Condition, C-NBCU Programmers shall provide Online Video Programming sought by the OVD to the extent that the Video Programming sought is materially the same as Video Programming that C-NBCU Programmers offer to any Similarly Situated MVPD.
- (ii) The price, terms and conditions shall be the economic equivalent of the price, terms and conditions that a Similarly Situated MVPD would pay for the Online Video Programming. If any obligation is imposed on the Similarly Situated MVPD to make the programming available through a linear channel, the economic equivalent shall include a materially similar obligation.⁵ The economic equivalent should take account of (among other things) (w) any difference in advertising revenues caused by OVD distribution compared with MVPD distribution, (x) the impact on fair market value if Comcast or C-NBCU does not have the rights to enable the OVD to provide all programming as a linear stream over the Internet or other IP-based transmission path, (y) any generally applicable, market-based requirements regarding minimum subscriber and penetration requirements, and (z) any other evidence relevant to whether a C-NBCU Programmer will receive substantially equal Video Programming revenues in connection with the provisioning of Video Programming to the OVD as it would earn from the provisioning of the same Video Programming to an MVPD.
- (iii) The failure of a Qualified OVD to identify a specific Similarly Situated MVPD does not relieve Comcast or C-NBCU of the requirement to provide Online Video Programming to the Qualified OVD at fair market

⁵ The economic equivalent shall not, however, include any provisions from an MVPD agreement that would frustrate the objectives of these Conditions, including but not limited to a requirement that the Video Programming be distributed over an MVPD system.

value based on agreements of MVPDs that are most similarly situated to the Qualified OVD.

b. Benchmark Condition:

- (i) For any Qualified OVD that meets the Benchmark Condition,⁶ C-NBCU Programmers shall provide Online Video Programming sought by the OVD that constitutes Comparable Programming.⁷
- (ii) The price, terms and conditions shall be the economic equivalent of the price, terms and conditions the OVD paid for the Comparable Programming. The economic equivalent should take account of (among other things) any difference in the value of the programming being sought relative to the Comparable Programming. In addition, economic equivalent terms and conditions shall consist of the same basic Economic Model(s) for the Comparable Programming.
- (iii) C-NBCU Programmers shall not at any one time be required to be a party to more agreements triggered by Experimental Deals than the greatest number of agreements then effective between a Broadcast Network, Cable Programmer, Production Studio or Film Studio (including multiple Persons if they are Affiliated) and all OVDs.

3. If negotiations fail to produce a mutually acceptable set of price, terms and conditions for Online Video Programming under Sections IV.A.1 or IV.A.2 above, an MVPD or Qualified OVD, as applicable, may choose to submit a dispute to commercial arbitration in accordance with the procedures set forth in Section VII below. A Claimant may bring a single arbitration for related claims under Section IV.A.1 and IV.A.2 and/or demands under different agreements subject to the Benchmark Condition.

4. A C-NBCU Programmer may require, as a condition of any agreement or award under these provisions (other than pursuant to the Benchmark Condition), that the OVD may display the Online Video Programming only when (i) it would constitute no more than 45% of the Qualified OVD's Video Programming (measured by hours available to subscribers), and (ii) at least one Broadcast Network, Cable Programmer, Production Studio or Film Studio has agreed to provide Video Programming to the OVD (including at least one Broadcast Network providing broadcast programming if the C-NBCU Programmer has agreed to license broadcast programming); provided that the OVD shall have at least two years after the agreement or award to meet this condition (which time limit shall be stayed pending any arbitration and/or appeal), at which point it shall be entitled to display the Online Video Programming.

5. For claims to programming made under Section IV, if a reasonable dispute exists or arises regarding whether a C-NBCU Programmer has the right to grant an OVD the right to the Video Programming at issue, the C-NBCU Programmer may require the Qualified OVD to indemnify it and hold it harmless against any breach of contract, tort, copyright violation or other claim arising out of any lack of right of the C-NBCU Programmer to grant the OVD the right to Video Programming.

⁶ As long as the Benchmark Condition is met at the time a request for programming is made under this Order, it shall continue to be satisfied regardless of any breach or termination of the triggering agreement.

⁷ A Qualified OVD that has obtained programming under the Benchmark Condition shall become eligible for additional Comparable Programming only to the extent it enters into more than one agreement (i) with different programmers for programming subject to different Economic Models or in different categories of programming (e.g., broadcast, cable or Film) or (ii) with the same programmer for additional programming.

B. RESTRICTIONS REGARDING EXCLUSIVITY/WINDOWING

1. No C-NBCU Programmer shall enter into any agreement or arrangement, or enforce any agreement or arrangement entered into after December 3, 2009, which forbids, limits, or creates economic incentives to limit the distribution of such Video Programming through OVDs; provided that nothing in this Section IV.B.1 prohibits a C-NBCU Programmer from entering into or enforcing agreements or arrangements consistent with reasonable, common industry practice. Evidence relevant to what constitutes reasonable, common industry practice may include (among other things) the contracting practices of a C-NBCU Programmer prior to December 3, 2009 and/or the contracting practices of peer companies.

2. A C-NBCU Programmer may also enter into agreements or arrangements forbidding, limiting or creating economic incentives to limit distribution of Video Programming through OVDs upon Commission approval after following the procedures provided under 47 C.F.R. § 76.1002(c)(5) and demonstrating that the agreement or arrangement serves the public interest under 47 C.F.R. § 76.1002(c)(4), provided that for purposes of such demonstration (i) the term “multichannel video programming distribution market” in 47 C.F.R. § 76.1002(c)(4)(iv) shall include OVDs; and (ii) the term “satellite cable programming” in 47 C.F.R. § 76.1002(c)(4)(iii) shall be replaced with the term Video Programming.⁸

3. No C-NBCU Programmer shall enter into or enforce any agreement or arrangement for carriage on Comcast’s MVPD system that forbids, limits or create incentives to limit a broadcast network or cable programmer’s provision of its Video Programming to one or more OVDs; provided that nothing in this Section IV.B.3 would prohibit a C-NBCU Programmer from:

- a. entering into and enforcing an agreement or arrangement under which a C-NBCU Programmer discourages or prohibits a broadcast network or cable programmer from making Video Programming, for which a C-NBCU programmer has agreed to pay, available to consumers for free over the Internet within the first 30 days after a C-NBCU Programmer first distributes the Video Programming to consumers;
- b. entering into and enforcing an agreement or arrangement under which the broadcast network or cable programmer provides Video Programming exclusively to a C-NBCU Programmer, and to no other MVPD or OVD, for a period of time of not greater than 14 days; or
- c. entering into and enforcing an agreement or arrangement which requires that a C-NBCU Programmer is treated in material parity with other similarly situated MVPDs with respect to price and non-price terms, except to the extent application of other MVPDs’ non-price terms would frustrate the purpose of this Order.

⁸ If an arbitration triggered by the Benchmark Condition involves an agreement that would require approval under this Section IV.B.2, and the C-NBCU Programmer has applied for but not received Commission approval (including approval of the Media Bureau on delegated authority) under this Section within 30 days after the demand for arbitration, then the arbitration shall proceed on the basis that the agreement to be arbitrated will not contain provisions that would require approval under this Section.

C. CONTINUED ACCESS TO ONLINE CONTENT AND HULU

1. Comcast and C-NBCU shall continue to provide over nbc.com or an equivalent site, on equivalent terms and conditions (including the lack of any payment requirement), Video Programming of equivalent type, quantity and quality as that provided over nbc.com on the date of this Order so long as at least one Broadcast Network maintains an ad-supported web site displaying at least an equivalent of the nbc.com Video Programming.

2. Except as otherwise provided by Section IV.B, C-NBCU Programmers shall honor any agreement or arrangement entered into before the date of this Order under which they provide rights to Online Video Programming and shall not exercise any right of termination under any such agreement or arrangement other than for material breach by the other party or expiration of the current term of the agreement or arrangement.

3. Provided that the other two content provider partners have renewed their agreements with Hulu on terms that are substantially the same for both partners, C-NBCU shall contemporaneously renew its agreements with Hulu on substantially the same terms and conditions (or enter into agreements on substantially the same terms and conditions as those entered into by the other two content partners), notwithstanding Section IV.B for any agreement materially equivalent to the current agreement between C-NBCU and Hulu. Provided that the other two content provider partners continue to provide Hulu with programming of a type, quantity and quality consistent with their practice during the year period prior to the date of this Order, C-NBCU shall provide its programming on an equivalent basis.

4. Neither Comcast nor C-NBCU shall exercise any right to influence the conduct or operation of Hulu, including those arising from agreements, arrangements or operation of its equity interests (*e.g.*, board seats, voting for directors or other shareholder matters, management and veto rights, etc.) and C-NBCU shall as and from the date of this Order hold its interest in Hulu solely as an economic interest. Within 30 days of the release of this Order, C-NBCU shall submit to the Commission documentation evidencing that its interest in Hulu is purely economic. This provision shall not restrict the rights of a non-Affiliated Person that purchases some or all of C-NBCU's interest in Hulu.

D. STANDALONE BROADBAND INTERNET ACCESS SERVICE

1. Comcast shall continue to provide standalone Broadband Internet Access Service to customers with offerings consisting of speed tiers currently offered in each service area at reasonable market-based prices. At a minimum, Comcast shall offer a service of at least 6 Mbps down at a price no greater than \$49.95 for three years (provided that the price can be increased by no more than any increase in the CPI-U for Communications after two years). If Comcast offers additional speeds in conjunction with other bundled service packages, Comcast shall also offer such speeds on a standalone basis at reasonable, market-based prices. In each case, the standalone offering shall be on equivalent terms and conditions (including but not limited to usage caps) to the most comparable Broadband Internet Access Service offered in a bundled offering.

2. Starting no later than 30 days after the date of this Order, Comcast shall visibly offer and actively market standalone retail Broadband Internet Access Service, including but not limited to (i) providing a linkable web page devoted exclusively to describing (*e.g.*, price and speed) and permitting online purchase of all retail Broadband Internet Access Service standalone options; (ii) running at least one major advertising promotion of the standalone retail Broadband Internet Access Service offering annually; and (iii) ensuring that the standalone Broadband Internet Access Service offering appears with prominence equal to that of bundled offerings on any product list or in any window, menu or other similar place on any call center screen.

3. Within 30 days from the date of this Order, annually thereafter and upon any price adjustment of a standalone Broadband Internet Access Service offering, Comcast shall provide to the Commission a report describing (w) its compliance with the condition in Section IV.D.1, including the number of standalone Broadband Internet Access Service lines provisioned; (x) the standalone Broadband Internet Access Service speeds and pricing being offered to customers in its top 30 markets; (y) the Broadband Internet Access Service speeds and pricing being offered as part of each programming or programming and phone package in its top 30 markets as well as the package price; and (z) the prices and speeds at which competitors offer standalone Broadband Internet Access Service (to the extent known by Comcast) in its top 30 markets.

E. BROADBAND INTERNET ACCESS SERVICE

1. Comcast and C-NBCU shall not offer a Specialized Service that is substantially or entirely comprised of Comcast or C-NBCU affiliated content.

2. If Comcast or C-NBCU offers any Specialized Service that makes content from one or more third parties available to (or that otherwise enables the exchange of network traffic between one or more third parties and) Comcast or C-NBCU subscribers, Comcast or C-NBCU shall allow any other comparable third party to be included in a similar Specialized Service on a nondiscriminatory basis.

3. In all DOCSIS 3.0 markets, Comcast shall provide a level of Broadband Internet Access Service that is at least as fast as its current 12 Mbps down speed tier. The 12 Mbps speed tier is subject to modification based on market changes concerning speed availability from other market Broadband Internet Access Service providers. This Condition does not restrict Comcast's ability to impose byte caps or consumption-based billing, subject to the other Conditions in this Order.

F. SET-TOP BOXES

To the extent that a set top box (and/or CPE or software that is functionally equivalent) provided or made available by Comcast or C-NBCU has a capability that enables a customer to access a Specialized Service, the requirements of Sections IV.E.1 & 2 shall apply to that Specialized Service.

G. UNFAIR PRACTICES

1. Neither Comcast nor C-NBCU shall:
 - a. engage in unfair methods of competition or unfair or deceptive acts or practices, the purpose or effect of which is to hinder significantly or prevent any MVPD or OVD from providing Video Programming online to subscribers or consumers;
 - b. unduly or improperly influence the decision of any vendor in which it has an Attributable Interest to sell, or unduly or improperly influence such vendor's prices, terms and conditions for the sale of, Video Programming to any unaffiliated MVPD or OVD for online distribution to subscribers or consumers;
 - c. unduly or improperly influence the decision of any affiliated broadcast station to grant retransmission consent, or unduly or improperly influence such affiliated broadcast station's prices, terms and conditions for the retransmission of, Video Programming to any unaffiliated MPVD or OVD for online distribution to subscribers or consumers; or
 - d. retaliate against any Person for (i) exercising (or attempting to exercise) any rights under this Order (regardless of whether those rights pertain to online

issues), (ii) participating in the proceeding resulting in this Order, or (iii) licensing Video Programming to any Person or entity.

2. For the avoidance of doubt, the conditions in Section IV.G do not by themselves create a right for any Person to access a C-NBCU Programmer's Video Programming.

V. NOTICE OF CONDITIONS

No later than 20 Business Days prior to the expiration of Carriage Agreement with an MVPD or a Video Programming Vendor or an agreement for online display of Video Programming with an OVD, Comcast or C-NBCU, as applicable, must provide the MVPD, Video Programming Vendor, or OVD with a copy of the Conditions imposed in this Order. A C-NBCU Programmer must provide a copy of the Conditions imposed in this Order within 10 Business Days of receiving a first time request for carriage.

VI. REPLACEMENT OF PRIOR CONDITIONS

These Conditions shall supersede the program access conditions and commercial arbitration remedy imposed on Comcast in Applications for Consent to the Assignment and/or Transfer of Control of Licenses, *Adelphia Communications Corporation, Assignors to Time Warner Cable, Inc., Assignees, et al.*, Memorandum Opinion and Order, 21 FCC Rcd 8203, 8336–39, Appendix B (2006) (“*Adelphia Order*”); provided that nothing in this Order supersedes or otherwise affects arbitrations involving Comcast pursuant to the conditions adopted in the *Adelphia Order* in which a formal demand or notice for arbitration has been provided up to and including the date of release of this Order.

VII. COMMERCIAL ARBITRATION REMEDY⁹

A. INITIATION OF ARBITRATION

1. No more than five Business Days following the expiration of a Carriage Agreement or an agreement for online display of Video Programming, or no more than 90 days after a first time request for carriage or online display of Video Programming, a Claimant may notify the C-NBCU Programmer or Programmers that provide the Video Programming at issue that it intends to request arbitration to determine the terms and conditions of a new agreement. The notification must describe with specificity the Video Programming covered by the Claimant's request for arbitration.

2. An MVPD Claimant may demand a standalone offer for (i) broadcast programming, (ii) RSN programming, (iii) the bundle of all cable programming, and/or (iv) any bundle of Video Programming (including any standalone bundle of Films) that a C-NBCU Programmer has made available to a similar MVPD.

3. A Claimant may not bring an arbitration over Video Programming that is substantially equivalent to Video Programming included in a currently effective Carriage Agreement.

4. Promptly upon issuing such a request, the Claimant shall notify the Commission and provide a confidential summary of the dispute. Such notice and confidential summary shall also be served on each C-NBCU Programmer involved in the dispute.

⁹ These provisions shall apply generally to all arbitrations under Section II and Section IV.A unless otherwise stated. A dispute resolution process validly commenced under procedures established by another governmental entity may be transferred to an arbitrator under these Conditions, and shall be deemed validly commenced for purposes of these Conditions.

5. Upon receiving timely notice of the Claimant's intent to arbitrate, each C-NBCU Programmer must immediately allow and each Claimant must immediately continue carriage, under the terms and conditions of the expired agreement, if any, as long as the Claimant continues to meet the obligations set forth in this condition. In addition, no C-NBCU Programmer shall terminate or interfere with the Claimant's customers' online access to otherwise available programming in connection with a program carriage dispute, regardless of whether the programming is carried pursuant to an agreement. Carriage of the disputed programming during the period of arbitration is not required in the case of first time requests for carriage or online display; provided that the Claimant shall have the option of carrying the disputed programming on the terms of the C-NBCU Programmer's final offer, subject to a true up pursuant to Section VII.B.12 and the requirements of Section IV.A.4.

6. "Cooling Off Period." Following the Claimant's notice of intent to submit the dispute to arbitration, but prior to filing a demand for arbitration with AAA, the Claimant and each C-NBCU Programmer shall enter a "cooling-off" period during which negotiations shall continue.

7. Formal Filing with the AAA. The Claimant's formal demand for arbitration, which shall include the Claimant's "final offer," shall be filed with the AAA no earlier than the 10th Business Day after the filing of the Complainant's intent to arbitrate and no later than the end of the 15th Business Day following such filing. If the Claimant makes a timely demand, each C-NBCU Programmer must participate in the arbitration proceeding.

8. Promptly upon demanding arbitration, the Claimant shall notify the Commission and provide a confidential copy of its demand.

9. The AAA shall notify each C-NBCU Programmer and the Claimant upon receiving the Claimant's formal filing.

10. The C-NBCU Programmer or Programmers shall file a single final offer with the AAA within two Business Days of being notified by the AAA that a formal demand for arbitration has been filed by the Claimant. The C-NBCU Programmer or Programmers shall provide a confidential copy of the final offer to the Commission.

11. The Claimant's final offer may not be disclosed to the C-NBCU Programmer or Programmers until the AAA has received the final offer from the C-NBCU Programmer or Programmers. This shall include any final offer made prior to mediation, if the final offer was subsequently revised pursuant to Section VII.A.15.

12. Promptly upon receiving the C-NBCU Programmer or Programmers' final offer, the AAA shall notify all parties to the arbitration that both final offers have been received. At this time, the Claimant and the C-NBCU Programmer or Programmers shall each provide a copy of their final offer to the other party (either directly or through the AAA).

13. The final offers shall be in the form of a contract for carriage of the Video Programming identified in the Claimant's notice of intent to arbitrate for a period of three years. A final offer may not include any provision to carry any other Video Programming.

14. At any time following the exchange of final offers and prior to the conclusion of the arbitration, either party may accept the other party's final offer, at which point the offer shall become a binding contract between the parties.

15. Following the exchange of the final offers and prior to the initiation of an arbitration hearing the parties may, but are not required to, enter mediation to resolve the dispute or narrow the issues in contention. If both parties agree, they may submit revised final offers following such mediation.

B. RULES OF ARBITRATION

1. The arbitration shall be decided by a single arbitrator under the expedited procedures of the AAA Rules, excluding the rules relating to large, complex cases, but including the modifications to the AAA Rules set forth in Section VIII, below.

2. The arbitrator shall issue a decision within 90 days from the date that the arbitrator is appointed. The arbitrator shall consider at the earliest practicable opportunity, however, any motion that is dispositive of the arbitration in whole or that is dispositive of a significant issue in the arbitration and will speed resolution of the arbitration as a whole.

3. The parties may agree to modify any of the time limits set forth above and any of the procedural rules of the arbitration; absent agreement, however, the rules specified herein apply. The parties may not modify the requirement that they engage in final-offer arbitration.

4. In the case of an arbitration under Section II of the Conditions, the arbitrator is directed to choose the final offer of the party which most closely approximates the fair market value of the programming carriage rights at issue.

5. To determine fair market value, the arbitrator may consider any relevant evidence and may require the parties to submit such evidence to the extent it is in their possession or control. The arbitrator may not compel production of evidence by third parties.

6. In the case of an arbitration under Section II of these Conditions, there shall be a presumption that the following types of agreements, unredacted and including all exhibits and related agreements, are relevant evidence of fair market value:

- a. for arbitration related to retransmission consent, current or previous contracts between MVPDs and broadcast stations;
- b. for arbitration related to RSNs, current or previous contracts between MVPDs and RSNs;
- c. for arbitration related to national cable networks, current or previous contracts between MVPDs and national networks; and
- d. for arbitration related to non-sports, non-broadcast regional cable networks, current or previous contracts between MVPDs and non-sports, non-broadcast regional cable networks.

The fact that an agreement relates to more than one type of programming shall not be a basis for limiting its production or allowing redaction of its contents. There shall also be a presumption that for each agreement used as evidence of fair market value, the number of subscribers of the MVPD that is party to an agreement, the ratings for the networks covered by the contract, and similar information relating to the value of the contract terms shall be relevant evidence of fair market value. Any party seeking additional evidence from the other party must demonstrate that the likely probative value of such evidence clearly outweighs the burden of searching for and producing it.

7. Each party shall also provide to the other all evidence that it intends to rely on in the arbitration, including any evidence relied on by any expert in the production of an expert report or preparation of testimony.

8. If a C-NBCU Programmer contends that evidence of its costs and related financial information are relevant to the determination of fair market value for the programming at issue, it shall announce that contention in writing not later than ten Business Days after submitting its final offer. The arbitrator shall determine whether such evidence is likely to be unique to the C-NBCU Programmer and

of probative value to his or her determination. If so, discovery of cost and financial information should be commensurate with the limited nature of the evidence and limited solely to the C-NBCU Programmer at issue (unless a showing can be made that costs are spread across affiliates).

9. The arbitrator may not consider offers prior to the arbitration made by the Claimant and the C-NBCU Programmer or Programmers for the programming at issue in determining the fair market value. This shall include any final offer made prior to mediation, if the final offer was subsequently revised pursuant to Section VII.A.15.

10. If the arbitrator finds that one party's conduct, during the course of the arbitration, has been unreasonable, the arbitrator may assess all or a portion of the other party's costs and expenses (including reasonable attorney fees) against the offending party.

11. Following the decision of the arbitrator, the parties shall be bound by the final offer chosen by the arbitrator, regardless of the pendency of any appeal unless the appeal nullifies or modifies the award.

12. To the extent practicable, the terms of the final offer chosen by the arbitrator, including payment terms, if any, shall also become retroactive to the expiration date of the previous Carriage Agreement or agreement for online display, if any.

- a. If carriage of the relevant programming has continued uninterrupted during the arbitration process, and if the arbitrator's award requires a smaller amount to be paid than was required under the terms of the expired contract, each C-NBCU Programmer shall credit the Claimant with an amount representing the difference between the amount actually paid under the terms of the expired contract since its expiration and the amount that is required to be paid under the arbitrator's award.
- b. If carriage of the relevant programming has continued uninterrupted during the arbitration process, and if the arbitrator's award requires a higher amount to be paid than was required under the terms of the expired contract, the Claimant shall make an additional payment to each C-NBCU Programmer in an amount representing the difference between the amount that is required to be paid under the arbitrator's award and the amount actually paid under the terms of the expired contract since its expiration.

13. Judgment upon an award entered by the arbitrator may be entered by any court having competent jurisdiction over the matter, unless one party indicates that it wishes to seek review of the final award with the Commission and does so in a timely manner.

14. Upon the conclusion of an arbitration demanded under these procedures, whether by settlement or award, the Claimant shall notify the Commission of the conclusion of the proceedings and, if applicable, provide the Commission with (i) a confidential, unredacted copy of the arbitrator's award and (ii) a copy of the redacted version of the arbitrator's award, as produced by the arbitrator pursuant to Section VIII.7, which the Commission will make available to any party who so requests.

C. PROVISIONS APPLICABLE TO ARBITRATIONS UNDER SECTION IV (ONLINE)

1. In the case of an arbitration under Section IV of these Conditions, the arbitration shall take place in two phases if there is a reasonable dispute regarding one or more of the following: (i) whether an OVD is a Qualified OVD; (ii) what Comparable Programming a Qualified OVD is entitled to (for claims under the Benchmark Condition only); and (iii) whether any of the defenses in Section VII.C.3 below would defeat a claim (provided that, with respect to Section VII.C.3, the first phase shall concern defenses based on 47 C.F.R. § 76.1002(b)(1) only). In phase 1, the arbitrator shall determine, as

applicable, the disputes raised in sub-paragraphs (i) through (iii). In phase 2, the arbitrator shall choose the final offer of the party which most closely approximates the fair market value of the programming carriage rights at issue, as defined in Section IV.A.2, above.

2. In the case of an arbitration under the Benchmark Condition, if there is a dispute about what Comparable Programming a Qualified OVD is entitled to, the parties shall submit their final offers for the scope of Comparable Programming at the commencement of the arbitration, as provided under Section IV.A. The arbitrator shall decide which of the two offers for the scope of Comparable Programming most closely approximates the appropriate Comparable Programming. At the conclusion of phase 1, the parties shall submit their final offers for agreements based on the Comparable Programming chosen by the arbitrator.

3. In the case of an arbitration under Section IV of these Conditions, it shall be a defense for Comcast or C-NBCU to demonstrate by a preponderance of the evidence that any of the following reasonably justifies denying the Online Video Programming to a particular Qualified OVD: (i) any of the factors listed under 47 C.F.R § 76.1002(b) as of the date of this Order; or (ii) that providing the Online Video Programming to the particular Qualified OVD would constitute a breach of a contract to which Comcast or NBCU is a party (provided that any provision prohibited under Section IV.B shall not be a defense). For claims under the Benchmark Condition, there shall be a presumption against any defense based on the provisions of part (i) of this paragraph.

4. The arbitrator shall determine allowable discovery and permissible evidence.

D. PROVISIONS APPLICABLE TO SMALL MVPDS

1. An MVPD with 1.5 million or fewer subscribers may appoint an independent bargaining agent to bargain collectively on its behalf (“Bargaining Agent”) in negotiating with a C-NBCU Programmer for carriage of Video Programming, and the C-NBCU Programmer shall not refuse to negotiate with such an entity. An MVPD that uses a Bargaining Agent may, notwithstanding any contractual term to the contrary, disclose to such Bargaining Agent the date upon which its then current carriage contract at issue expires.

2. If a Bargaining Agent chooses to submit a dispute to commercial arbitration, it shall state in its notification of intent to arbitrate the MVPDs that it represents for purposes of the arbitration. If the MVPDs that have appointed the Bargaining Agent have contracts with different expiration dates for the Video Programming at issue, or if some MVPDs have expiring contracts and others are making a first time request for carriage, the Bargaining Agent must notify the C-NBCU Programmer or Programmers that provide the Video Programming that it intends to request arbitration no later than five business days after the expiration of the first contract. If all the MVPDs that have appointed the Bargaining Agent are making a first time request for carriage, the Bargaining Agent may submit its notice of intent to arbitrate at any time following 90 days after the Bargaining Agent’s first time request for carriage on behalf of any of the MVPDs.

3. Each C-NBCU Programmer must allow continued carriage under the terms and conditions of any expired agreement for any MVPD that appointed the Bargaining Agent and has an expired agreement or an agreement that expires during the course of arbitration. Carriage of the disputed programming during the period of arbitration is not required in the case of any MVPD making a first time request for carriage; provided that the Claimant shall have the option of carrying the disputed programming on the terms of the C-NBCU Programmer’s final offer, subject to a true up pursuant to Section VII.B.12 and the requirements of Section IV.A.4.

4. The final offers of the parties shall be in the form of a contract for carriage of the Video Programming (including but not limited to terms concerning both price and carriage) identified in the

Bargaining Agent's notice of intent to arbitrate, for a period of three years, by all MVPDs that have appointed the Bargaining Agent.

5. Following the decision of the arbitrator, all MVPDs that have appointed the Bargaining Agent shall be bound by the final offer chosen by the arbitrator. For each MVPD that has an expired carriage agreement at the time of the award, the terms of the final offer shall become retroactive to the expiration date of that agreement, to the extent practicable. For each MVPD that has a contract that has yet to expire at the time of the award, the final offer shall become effective upon expiration of the existing contract if and to the extent that the term of the arbitrated contract remains in effect (*e.g.*, if the MVPD's contract expired one year after the arbitration award, the effective term of the arbitrated contract would be two years).

6. To determine fair market value, the arbitrator may require the Bargaining Agent as well as all MVPDs that have appointed the Bargaining Agent to submit relevant evidence to the extent it is in their possession. The Bargaining Agent may only be required, however, to produce information in its possession that involves at least one of the MVPDs it has been appointed to represent.

7. If an MVPD with 600,000 or fewer subscribers ("Small MVPD") (including a Bargaining Agent to the extent it is representing Small MVPDs) is the prevailing party in an arbitration, it shall be entitled to recover its legal fees and costs of arbitration. If such an MVPD is not the prevailing party, it shall not be required to reimburse Comcast's or C-NBCU's corresponding fees and costs.

E. REVIEW OF FINAL AWARD BY THE COMMISSION

1. A party aggrieved by the arbitrator's final award may file with the Commission a petition seeking *de novo* review of the award. The petition must be filed within 30 days of the date the award is published. The petition, together with both the redacted and unredacted versions of the arbitrator's award, as produced by the arbitrator pursuant to Section VIII.7, the record before the arbitrator, and transcripts of any arbitration hearings shall be filed with the Secretary's office and shall be concurrently served on the Chief, Media Bureau. An opposition to the petition may be filed within 15 days of the filing of the petition, and a reply to the opposition may be filed within 10 days of the filing of the opposition. The Media Bureau shall issue its findings and conclusions not more than 60 days after receipt of the petition, which period may be extended by the Media Bureau by one period of an additional 60 days. A party may file with the Commission an Application for Review of the Media Bureau's decision.¹⁰ The Claimant shall carry the relevant programming pending the FCC decision, subject to the terms and conditions of the arbitrator's award.

2. In reviewing the award, the Media Bureau or Commission, as appropriate, will examine the same evidence that was presented to the Arbitrator and will choose the final offer of the party that most closely approximates the fair market value of the programming carriage rights at issue.

3. The Media Bureau or Commission, as appropriate, may award the winning party costs and expenses (including reasonable attorney fees) to be paid by the losing party, if the Media Bureau or Commission, as appropriate, considers the appeal or conduct by the losing party to have been unreasonable. Such an award of costs and expenses may cover both the appeal and the costs and expenses (including reasonable attorney fees) of the arbitration.

¹⁰ To the extent a party files a Petition for Reconsideration of the Bureau's decision, if the Media Bureau does not act on the Petition for Reconsideration within 60 days, the Petition for Reconsideration will be deemed denied.

VIII. MODIFICATIONS TO AAA RULES FOR ARBITRATION

1. For purposes of these Conditions, the AAA Rules are modified in several respects as they apply to the arbitration remedy set forth above.

2. *Initiation of Arbitration.* Arbitration shall be initiated as provided in Rule R-4 except that, under Rule R-4(a)(ii), the party initiating arbitration shall not be required to submit copies of the arbitration provisions of the contract, but shall instead refer to this Order in the demand for arbitration. Such reference shall be sufficient for the AAA to take jurisdiction.

3. *Appointment of the Arbitrator.* Appointment of an arbitrator shall be in accordance with Rule E-4 of the Rules. Arbitrators included on the list referred to in Rule E-4 (a) of the Rules shall be selected from a panel jointly developed by the AAA and the Commission and shall be based on the following criteria:

- a. The arbitrator shall be a lawyer admitted to the bar of a state of the United States or the District of Columbia;
- b. The arbitrator shall have been practicing law for at least seven years;
- c. The arbitrator shall have prior experience in mediating or arbitrating disputes concerning media programming contracts; and
- d. The arbitrator shall have negotiated or have knowledge of the terms of retransmission contracts.

4. *Exchange of Information.* At the request of any party, or at the discretion of the arbitrator, the arbitrator may direct the production of current and previous contracts between either of the parties and MVPDs or OVDs, broadcast stations and programming networks that is considered relevant in determining the value of the programming to the parties. Parties may request that access to information of a commercially sensitive nature be restricted to the arbitrator and outside counsel and experts of the opposing party pursuant to a Protective Order, the model for which is attached as Appendix E. If a programming contract contains terms that purport to restrict a party from disclosing the entire contract in an unredacted form absent an order from the Commission or a court, an order by the arbitrator directing the parties to produce the contract shall have the same effect as if it were an order adopted and released by the Commission requiring production of the contract.

5. *Administrative Fees and Expenses.* If the arbitrator finds that one party's conduct, during the course of the arbitration, has been unreasonable, the arbitrator may assess all or a portion of the other parties costs and expenses (including reasonable attorneys' fees) against the offending party.

6. *Locale.* In the absence of agreement between the parties, the arbitration shall be held in the city that contains the headquarters of the Claimant.

7. *Form of Award.* The arbitrator shall render a written award containing the arbitrator's findings of fact and reasons supporting the award. If the award contains confidential information, the arbitrator shall compile two versions of the award; one containing the confidential information and one with such information redacted. The version of the award containing the confidential information shall only be disclosed to the Commission or persons bound by the Protective Order issued in connection with the arbitration. The parties shall include such confidential version in the record of any review of the arbitrator's decision by the Commission.

IX. BROADCAST CONDITIONS

1. C-NBCU shall comply with the terms of Sections 2, 3 and 7 of the June 3, 2010 Agreement between Comcast Corporation, NBC Universal, Inc. and the NBC Television Affiliates (the “NBC Affiliates Agreement”), and with all of the terms of the June 21, 2010 Agreement between Comcast Corporation and the ABC Television Affiliates Association, the CBS Television Network Affiliates Association and the FBC Television Affiliates Association (the “ABC, CBS and Fox Affiliates Agreement”), both of which are provided in Appendix F of this Order, with the following clarification and revisions:

- a. Section 3 of the NBC Affiliates Agreement and Section 3 of the ABC, CBS and Fox Affiliates Agreement shall each expire on the date on which NBCU and Comcast are no longer commonly owned and/or controlled.
- b. The second sentence of Section 3 of the ABC, CBS and Fox Affiliates Agreement shall provide: “Comcast agrees that NBCU shall remain solely responsible for negotiating retransmission consent of NBCU Stations with non-Comcast MVPDs (*i.e.*, multi-channel video programming distributors), and Comcast and the Comcast Cable Systems shall remain solely responsible for negotiating retransmission consent with non-NBCU Stations.”

X. DIVERSITY CONDITIONS

1. In order to expand the availability of over-the-air programming to the Spanish language speaking community utilizing a portion of the digital broadcast spectrum of Telemundo’s owned-and-operated broadcast television stations (“O&Os”) (as well as offering such programming to Telemundo affiliates), within 12 months of the Closing of the Transaction, C-NBCU shall launch a new multicast channel on its Telemundo O&Os utilizing library programming that has had limited exposure. Telemundo shall make this programming available to all Telemundo-affiliated broadcast stations on reasonable commercial terms.

2. C-NBCU shall use its On Demand and On Demand Online platforms to feature Telemundo programming.

3. C-NBCU shall continue expanding the availability of mun2 on the Comcast Cable, On Demand, and On Demand Online platforms. Specifically, C-NBCU shall:

- a. within 12 months of the Closing of the Transaction, increase the number of Telemundo and mun2 VOD programming choices available on its Comcast central VOD storage facilities from approximately 35 to 100 choices. By that time, the majority of Comcast’s cable systems shall have the ability to connect to those facilities and provide access to this additional VOD content. In addition, Comcast shall make the programming available online to its subscribers to the extent that it has the legal rights to do so.
- b. within three years of the Closing of the Transaction, add another 200 VOD programming choices from Telemundo and mun2 on its Comcast central VOD storage facilities, for a total of 300 additional programming choices. In addition, Comcast shall make the programming available online to its subscribers to the extent that it has the legal rights to do so.

4. In 2011, working with an independent producer, C-NBCU shall produce a new weekly business news program, which it shall assist to make available through syndication.

5. For five years after the Order Date, C-NBCU shall file quarterly reports in a uniform format with the Commission containing the following information for the previous three months: the total number of hours of independent programming aired by each broadcast O&O and each owned or controlled programming network, the title of each program, the date(s) and time(s) the program was aired, the length of the program, a short description of the program, and for programs aired by the broadcast O&Os, whether the program aired on the O&O's primary channel or a multicast channel. In addition to filing these reports with the Commission, to enable the public to view the information, C-NBCU shall also post the reports on its website and that of each of its O&Os and programming networks. For purposes of this Condition, independent programming is defined as programming that is: (i) not carried by Comcast as of the date of adoption of this Order by the Commission; and (ii) produced by an entity unaffiliated with Comcast and/or NBCU.

XI. LOCALISM CONDITIONS

1. C-NBCU shall preserve and enrich the output of local news, local public affairs, and other public interest programming on its O&O stations. Through the use of Comcast's On Demand and On Demand Online platforms, time slots on cable channels, and use of certain windows on the O&Os' schedules, it shall expand the availability of all types of local and public interest programming. In furtherance of these objectives, C-NBCU shall:

- a. during the five years after the Closing of the Transaction, not reduce the current level of news and information programming at all NBC and Telemundo O&Os.
- b. during the three years after the Closing of the Transaction, expand such newscasts as provided herein.
- c. during the three years after the Closing of the Transaction, expand local content on Telemundo O&O newscasts, increasing its investment in station newscasts that are produced locally.

2. C-NBCU shall, within 12 months of the Closing of the Transaction and for a period of five years after the launch of such service by its O&O stations:

- a. locally produce by the NBC O&Os, collectively, an additional 1,000 hours per year of original, local news and information programming to air on multiple platforms, including the primary or a multicast channel of each such O&O. If the additional news and information programming is carried on a multicast channel of an NBC O&O, that multicast channel shall achieve actual distribution to at least 50 percent of the television households within the station's DMA.
- b. locally produce by at least six Telemundo O&Os, collectively, an additional 1,000 hours per year of original, local news and information programming, all of which shall air on the primary channel of each such O&O.

3. For purposes of this Condition, news and information programming shall include local and regional content, including general interest news and public affairs programming, weather, traffic and other informational programming.

4. C-NBCU shall file with the Commission, commencing on the later of three months after the Closing (or from the launch of such service over the station) and ending upon the expiration of this Condition, on a quarterly basis for each O&O, the following information in a uniform format regarding the news and information programming aired on the station during the preceding three months: the title of the program, the date(s) and time(s) the program was aired, the length of the program, whether the program aired on the O&O's primary channel or a multicast channel, and a short description of the

program. Each year, the fourth quarter report must contain a certification attesting to whether or not the station aired the annual requirement for the stations. In addition to filing this information with the Commission, to enable the public to view the information, C-NBCU must also post the same information on each O&O's website.

5. Within 12 months of the Closing of the Transaction, at least half of the NBC O&Os shall have in place cooperative arrangements with locally focused non-profit news organizations that provide reporting on issues of particular concern to each such station's market and/or region ("Online News Partners").

- a. The selection of appropriate Online News Partners shall be made by C-NBCU, in its discretion, taking into account such factors as the continuing availability of a viable Online News Partner in each such NBC O&O market; adherence by the Online News Partner to standards of journalism compatible with those of C-NBCU, including accuracy, fairness and independence; and the overall level of professionalism exhibited by the Online News Partner.
- b. These cooperative arrangements shall be similar in approach and level of involvement and support to the arrangement, in place as of the date of adoption of this Order, between NBC O&O station KNSD(TV), San Diego, California, and the website Voice of San Diego, including, as appropriate: story development; sharing of news footage and other content resources; financial support; in-kind contributions; shared use of technical facilities and personnel; on-air opportunities; promotional assistance; and cross-linking/embedding of websites.
- c. This Condition shall not obligate C-NBCU or any of its NBC O&O stations to broadcast, publish on any C-NBCU-controlled website or otherwise exhibit or endorse any material produced by an Online News Partner, and the decision to broadcast, publish or exhibit any such material shall remain at the sole editorial discretion of C-NBCU and its NBC O&O stations.
- d. C-NBCU shall be obligated to maintain a minimum of five such arrangements to the extent that such local non-profit news organizations continue to exist in five NBC O&O markets, as described in the preceding paragraph. The minimum of five such cooperative arrangements described in this Condition shall remain in force for at least three years following the date on which C-NBCU has five such arrangements in place.
- e. In the event that C-NBCU terminates any such arrangement, consistent with its obligations under this Condition, it shall use its best efforts to identify and establish a cooperative arrangement with another Online News Partner so that it shall have ongoing relationships with Online News Partners in at least five of its O&O stations' markets.
- f. Commencing six months after the Closing of the Transaction and every six months thereafter, until the expiration of this Condition, C-NBCU shall file with the Commission a written report detailing the efforts that it has made pursuant to this Condition during the previous six months, including the following information: identification of the Online News Partner and NBC O&O, a description of their arrangement, including the support provided by C-NBCU, and information about the news and other programming produced by the arrangement, including the overall quantification by market of local content

segments or items generated, as well as their nature (including but not limited to videos, articles, blog posts and photos) and whether such segments or items were exhibited on the station's primary channel, multicast channel(s), website and/or other platforms. To enable the public to view the information, C-NBCU must post the relevant reports on each participating O&O's website.

6. Comcast currently provides approximately 15,000 VOD programming choices free or at no additional charge over the course of a month. C-NBCU shall continue to provide at least that number of VOD choices free or at no additional charge to consumers. In addition, within three years of the Closing of the Transaction, it shall make available over the course of a month an additional 5,000 VOD choices via its central VOD storage facilities for free or at no additional charge to consumers.

7. For the three years after the Closing of the Transaction, C-NBCU shall continue to make available at no additional charge broadcast content of the kind previously made available at a per-episode charge on Comcast's On Demand service and currently made available at no additional charge to the consumer.

XII. JOURNALISTIC INDEPENDENCE CONDITION

C-NBCU shall continue NBCU's policy of journalistic independence with respect to the news programming organizations of all NBCU networks and stations, and shall extend these policies to the potential influence of each of C-NBCU's owners. To ensure such independence, C-NBCU shall continue in effect the position and authority of the NBC News ombudsman to address any issues that may arise.

XIII. CHILDREN'S PROGRAMMING CONDITIONS

1. Comcast shall use its On Demand and On Demand Online platforms and a portion of the NBCU O&Os' digital broadcast spectrum to provide children's programming. C-NBCU intends to develop additional opportunities to feature children's content on all available platforms. In this regard, C-NBCU shall:

- a. within 12 months of the Closing of the Transaction, add an additional 500 VOD programming choices appealing to children and families to its central VOD storage facilities, and make the same programming available online to its authenticated subscribers to the extent it has the rights to do so.
- b. within three years of the Closing of the Transaction, add another 1,000 VOD choices of such programming to its central VOD storage facilities, and make the same programming available online to its authenticated subscribers to the extent it has the rights to do so.
- c. within nine months from the Closing of the Transaction, and for three years thereafter, provide one additional hour per week of children's educational and informational ("core") programming, as defined by and aired in the manner called for by 47 C.F.R. § 73.671, over the primary channels of all Telemundo O&Os, and over either the primary or the multicast channels of all NBC O&Os. If this additional children's programming is carried on a multicast channel of an NBC O&O, that multicast channel shall achieve actual distribution to at least 50 percent of the television households within the station's DMA. This hour per week shall be in addition to the current three hours aired weekly by each such station pursuant to the Commission's core license renewal application processing guidelines.

2. C-NBCU shall provide clear and understandable on-screen TV ratings information for all original entertainment programming across all of its networks (broadcast and cable), and apply the cable industry's best-practice standards for providing on-screen ratings information in terms of size, frequency, and duration. Specifically, C-NBCU shall:

- a. within 90 days after the Closing of the Transaction, triple the time that program ratings information remains on the screen (from five to 15 seconds) after each commercial break. Such information shall also be presented in a larger format, to make it more visible to viewers.
- b. provide improved parental controls for C-NBCU program guides and set-top box applications, including navigation and blocking upgrades to legacy set-top boxes, by the end of 2011.
- c. provide a parental dashboard, which shall place all parental controls in one place, and white listing capabilities on tru2way boxes, by the end of 2013.
- d. provide, for IP-based set-top boxes, (i) the same capabilities as the tru2way boxes and additional restrictions on interactive applications within 12 months of the launch of IP-based set-top boxes; and (ii) additional blocking capabilities, within 24 months of the launch of IP-based set-top boxes.
- e. within nine months of the Closing of the Transaction, include program ratings information in its produced or licensed programming that NBC networks provides to nbc.com, to other NBCU websites, and to Hulu.com.

3. In an effort to constantly improve the tools and information available for parents, C-NBCU shall expand its partnership with organizations offering enhanced information to help guide family viewing decisions including, but not limited to, Common Sense Media ("CSM"). Comcast shall work to creatively incorporate the information from such organizations in its emerging On Demand and On Demand Online platforms and other advanced platforms, and shall look for more opportunities to work with such organizations on all C-NBCU platforms.

4. For five years from the Closing of the Transaction, in its capacity as a programmer and insofar as it can control advertising accepted, C-NBCU shall not air interactive advertising in: (i) broadcast programming and (ii) the feeds delivered to MVPD linear channels, in programs originally produced and transmitted primarily for an audience of children 12 years old and younger. In its capacity as an MVPD and insofar as it exerts control pursuant to affiliation agreements, Comcast shall not insert interactive advertising into networks comprised of programming originally produced and transmitted primarily for an audience of children 12 years old or younger.

5. For purposes of this Condition, interactive advertising is any marketing for commercial purposes on broadcast or cable television that requires or requests consumer interaction. Interactive advertising includes, but is not limited to:

- a. interactive overlay pop-up advertising, which can consist of:
 - (i) requests for further information to be sent to a consumer;
 - (ii) telescoping, also known as long form advertising, where a consumer can click on a pop-up and view more expanded advertising information that would potentially lead to a commercial transaction, but shall not include enabling a consumer to telescope to particular programs; and
 - (iii) voting or polling requests that promote a product or service, and/or gain information about consumer commercial preferences;

- b. T-Commerce, which enables a consumer to purchase advertised products using a remote control; and
- c. branded interactive gaming, which promotes a product via interactive gaming.

6. C-NBCU shall provide public service announcements (“PSAs”) with a value of \$15 million each year on digital literacy, parental controls, FDA nutritional guidelines and childhood obesity. The PSAs on digital literacy, parental controls and FDA nutritional guidelines shall run on networks or programming that have a higher concentration than the median cable network (viewers-per-viewing-household) of adults 25-54 with children under 18 in the household. For the PSAs on childhood obesity, C-NBCU shall air one PSA during each hour of NBC’s “core” educational and informational programming, as defined by 47 C.F.R. § 73.671, on the broadcast stations’ primary channels, and an average of two PSAs per day shall run on PBS KIDS Sprout. This Condition shall remain in place for five years.

XIV. PEG CONDITIONS

1. Comcast shall not migrate PEG channels to digital delivery on any Comcast cable system until the system has converted to all-digital distribution (*i.e.*, until all analog channels have been eliminated), or until the governmental entity that is responsible for the system’s PEG operations pursuant to the law of the state in question otherwise expressly agrees, whichever comes first. In any event, Comcast shall provide advance written notice to the system’s franchising authority and to its local community of its intent to migrate the PEG channels of the system in question.

2. Comcast shall carry all PEG channels on its digital starter tier (D0), or on an equivalent tier that reaches at least 85 percent of the subscribers of the Comcast system.

3. C-NBCU shall not implement a change in the method of delivery of PEG channels that results in a material degradation of signal quality or impairment of viewer reception of PEG channels, provided that this Condition shall not prohibit Comcast from implementing new technologies also utilized for commercial channels carried on its cable systems (including, but not limited to, digitization and switched digital video). Comcast shall continue to meet FCC signal quality standards when offering PEG channels on its cable systems and shall continue to comply with closed captioning pass-through requirements.

4. To enhance localism and strengthen public access, educational and governmental programming, Comcast shall develop a platform to host PEG content On Demand and On Demand Online within three years of the Closing of the Transaction.

- a. To develop the new platform, within three years of the Closing of the Transaction, Comcast shall select five locations in Comcast’s service area to serve as trial sites. Sites shall be chosen to ensure geographic, economic and ethnic diversity, with a mix of rural and urban communities. They shall not include the community of any system that currently has a PEG VOD or online presence.
- b. Comcast shall consult with leaders in the trial communities to determine what programming (public access, educational and/or governmental) would most benefit residents by being placed on VOD and online. It shall not exercise editorial control in determining which PEG programming shall be available on either platform.
- c. Comcast shall meet the following benchmarks in its development of these platforms:

- (i) within 30 days of the Closing of the Transaction, it shall announce the final locations of the five pilot communities.
 - (ii) within nine months of the Closing of the Transaction, it shall initiate On Demand placement of available PEG programming in each PEG pilot community. Additional programming shall continue to be provided throughout the remaining trial period.
 - (iii) within one year of the Closing of the Transaction, it shall initiate On Demand Online placement of available PEG programming in each PEG pilot community through existing or newly created online platforms. Additional programming shall continue to be provided throughout the remaining trial period.
 - (iv) within 18 months of the Closing of the Transaction, it shall initiate marketing support of the On Demand and On Demand Online platforms in each PEG pilot community.
 - (v) within two years of the Closing of the Transaction, it shall complete surveys of the user experience for both the On Demand and On Demand Online platforms in each PEG pilot community, and shall begin to implement recommended changes.
 - (vi) within three years of the Closing of the Transaction, it shall complete the pilot phases and evaluate results of the pilots.
 - (vii) starting six months after the Closing of the Transaction, it shall submit semi-annual reports to the Commission, on the progress of its online and VOD platform development, including the details of its activities in meeting each of the above-noted benchmarks. In addition to filing this information with the Commission, to enable the public to view the information, it must also post the same information on its website.
- d. This Condition is designed to enhance existing PEG channel carriage and shall not affect Comcast's existing franchise requirements for traditional linear PEG channel carriage.

XV. CONDITION REGARDING CARRIAGE OF PROGRAMMING OF NON-COMMERCIAL EDUCATIONAL TELEVISION STATIONS THAT HAVE RELINQUISHED THEIR SPECTRUM

1. For Qualified Noncommercial Educational ("NCE") Stations and Qualified Local Noncommercial Educational ("Local NCE") Stations, as those terms are defined in 47 C.F.R. §§ 76.55(a) and 76.55(b), respectively, that have must-carry rights as of December 31, 2010 and relinquish their broadcast spectrum as part of the Commission's efforts to allocate more spectrum to mobile broadband pursuant to Recommendation 5.8.5 of the National Broadband Plan (collectively, "Stations"), Comcast shall carry the applicable programming stream(s) of such Stations as follows:

- a. For Stations that are carried on Comcast cable systems as of December 31, 2010 pursuant to the signal carriage obligations for such Stations, as set forth in 47 C.F.R. § 76.56(a), Comcast shall continue to carry any such Stations, in digital format, on such cable systems.

- b. For Stations carried on Comcast cable systems as of December 31, 2010 pursuant to digital carriage agreements between the Station and Comcast, including but not limited to for purposes of this Condition, the agreement between the National Cable & Telecommunications Association (“NCTA”) and (i) the Association of Public Television Stations (“APTS”) and (ii) the Public Broadcasting Service (“PBS”) dated January 31, 2005 (the “NCTA/APTS Agreement”), Comcast shall continue to carry such Stations, in accordance with the terms of the relevant agreement, on such cable systems. To the extent that a Station’s digital carriage agreement with Comcast expires prior to the expiration of this Condition, Comcast commits to continue to carry such Station after the expiration of the agreement in accordance with the terms of paragraph (a) for the full term of this Condition.

2. These carriage obligations shall only apply to the extent that: (i) each such Station continues to deliver a good quality (non-broadcast) signal of the covered programming stream(s) to the relevant Comcast headends; (ii) each such Station certifies that it has the necessary copyrights to provide the programming contained in each programming stream delivered to Comcast, and conveys, without charge to Comcast, such copyrights and clearances as Comcast needs to distribute the programming; (iii) each programming stream contains noncommercial programming and other material that would be consistent with a broadcast station’s charter as a Qualified NCE or Qualified Local NCE; and (iv) each programming stream delivered to Comcast does not include programming that substantially duplicates the programming of any then-existing broadcast or cable programming service carried by the relevant Comcast system(s).

3. This Condition shall not be construed to extend the term of any existing agreement, nor to require any Comcast cable system to carry any Station or Station’s programming stream that Comcast is not: (i) already carrying as of December 31, 2010; or (ii) obligated to carry pursuant to the terms of the Station’s digital carriage agreement, including but not limited to the NCTA/APTS Agreement. This Condition shall expire on December 31, 2017, or upon the FCC’s promulgation of rules of general applicability regarding the subject matter of this Condition.

XVI. CONDITIONS TO EXPAND BROADBAND DEPLOYMENT AND ADOPTION

1. Comcast Broadband Footprint Expansion
 - a. Comcast shall expand its existing broadband network by at least 1,500 miles per year during the three years after the Closing of the Transaction (during 2011, 2012 and 2013), extending its broadband plant to approximately 400,000 additional homes.
 - b. Comcast shall also upgrade for Internet service at least six additional rural communities in 2011.
 - c. Comcast shall provide an additional 600 courtesy video and Broadband Internet Access Service account locations (for schools, libraries, and other community institutions, targeted to underserved areas in which broadband penetration is low and there is a high concentration of low income residents) over the three years after the Closing of the Transaction, at a rate of 200 additional locations per year. This continuing Condition shall include Comcast’s bearing 100 percent of the construction costs to bring Internet connections and providing the Broadband Internet Access Service without charge to these locations.

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2. Expanding Broadband Adoption – Comcast Broadband Opportunity Program
- a. Within nine months of the Closing of the Transaction, Comcast shall commence a program, the Comcast Broadband Opportunity Program (“CBOP”), to substantially increase broadband adoption in low income homes throughout Comcast’s service area.
 - b. CBOP shall address the three key barriers to adoption identified in the National Broadband Plan: (i) reducing the cost of broadband access for low income homes; (ii) the lack of a computing device in the home; and (iii) the absence of digital literacy. Its objective is to boost the number of low income homes using broadband within Comcast’s service areas.
 - c. Under CBOP, each eligible participating household shall:
 - (i) receive the Economy version of Comcast’s Broadband Internet Access Service for \$9.95 per month – a rate for which the household shall qualify so long as it meets the “Eligibility Criteria” below.
 - (ii) pay no installation or modem charges or fees (although Comcast may use its self-install program).
 - (iii) be eligible for one piece of pre-configured, quality computer equipment (which may include rebuilt PCs, netbooks, or other devices) for less than \$150 (the equipment shall be sold to the customer by a third-party vendor-partner of Comcast’s, with Comcast providing any subsidy required to bring the equipment cost below \$150).
 - (iv) have access to web-based, print and classroom-based training programs, provided in partnership with One Economy and other current and future Comcast community partners in its digital literacy efforts, including Boys and Girls Clubs, and Urban League and National Council of La Raza (“NCLR”) affiliate organizations. Comcast shall create and fund these programs, although it may seek Foundation and other funds to defray these costs.
 - d. CBOP shall run for a total of 36 months (through three school years) after the program commences (although households that qualify during the three-year program shall remain eligible for the program for the discounted Broadband Internet Access Service rate so long as they have a student in the household who qualifies), but in any event Comcast shall maintain CBOP through three full school years.
 - e. Comcast shall implement CBOP in coordination with state education departments and local school districts, which shall be responsible for certifying household eligibility for participation in the program.
 - f. The “Eligibility Criteria” for CBOP are: (i) there is at least one child in the household eligible for a free lunch under the National School Lunch Program (“NSLP”); (ii) the household is not the subject of a current Comcast collections activity; and (iii) the household has not subscribed to a Comcast Internet service within 90 days prior to installation.

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- g. Comcast shall solicit participation in CBOP through participating school districts' NSLP enrollment processes. It shall rely on this established certification process to qualify participants in CBOP.
 - h. Comcast shall request that school districts include information about CBOP with their first communication to families in advance of the school year and in each NSLP communication, as feasible and appropriate. The goal is to ensure that families that qualify for the free NSLP are aware of the program at the beginning of the school year and have the opportunity to register in conjunction with the NSLP process. Comcast shall provide appropriate collateral materials and request that they be included in all NSLP mailings, as appropriate.
 - i. Comcast shall endeavor to educate school professionals who work closest with NSLP-eligible families about CBOP. This outreach shall include the various education-related associations, including PTAs and associations representing guidance counselors and social workers, in order to reach those who are most likely to work closely with students and families who qualify for the free NSLP.
 - j. Prospective participants shall be directed to a Comcast phone number dedicated to this program to verify eligibility. Qualifying callers shall be transferred to a centralized order-entry center. When service installation is complete, the participating household shall receive a voucher and instructions on how to obtain the subsidized computer equipment noted above.
 - k. Comcast shall engage in efforts, in coordination with community partners, to publicize the availability of the program, targeted to areas with high concentration of low-income residents and especially through vehicles that are targeted to eligible households. Among other things, Comcast shall promote CBOP through public service announcements, as well as through segments of Comcast Newsmakers featuring guests who shall describe CBOP and how to take advantage of it. Comcast shall distribute the CBOP information to its partners who work with low-income communities – on a national and local level (*e.g.*, One Economy, National Urban League, NCLR). Comcast shall also coordinate with state and local education administrative entities to enable notification of certified NSLP families of CBOP.
 - l. Comcast shall offer several computer training and support options to all households participating in CBOP:
 - (i) At the time of installation, each participating household shall receive basic instructional materials and a phone number for a dedicated support desk.
 - (ii) The computer equipment shall be pre-configured with a “wizard” to facilitate e-mail set-ups and the setting of parental controls.
 - (iii) Shortcuts to “getting started” tutorials shall appear on the desktop.
 - (iv) Each piece of equipment shall ship with Norton security pre-installed.
 - (v) Comcast and its partner organizations shall offer “training days” at NSLP-participating schools in Comcast’s service areas, as well as at instruction facilities operated by Comcast’s community partners.

- m. Comcast shall submit an annual report to the Commission beginning on July 31, 2012 and for three years thereafter. That report shall include a description of Comcast's compliance with the adoption conditions listed above. Comcast shall identify the total number of households participating in CBOP, perform an analysis of CBOP's effectiveness, and describe any adjustments Comcast plans to implement to improve its effectiveness. Comcast shall make this annual report available on its website.

XVII. GENERAL

No C-NBCU Programmer shall enter into any agreement or arrangement or take any other action that has the purpose or effect of impairing the effectiveness of these Conditions.

XVIII. VIOLATIONS

Any violation of these Conditions shall be a violation of the Order.

XIX. REPORTING REQUIREMENTS

Except as otherwise expressly provided, Comcast and C-NBCU shall report to the Commission annually regarding compliance with these Conditions and shall post each such report on its website.

XX. TERM

Except as expressly stated, these Conditions shall remain in effect for seven years following the date of this Order.¹¹

¹¹ The Commission will consider a petition from Comcast or C-NBCU for modification of a Condition if they can demonstrate that there has been a material change in circumstances, or that the Condition has proven unduly burdensome, such that the Condition is no longer necessary in the public interest. *See, e.g., News Corp. and DIRECTV Group, Inc. and Liberty Media Corp. for Authority to Transfer Control*, Memorandum Opinion and Order, 23 FCC Rcd 3265, 3345 (2008).