
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): November 2, 1999

COMCAST CORPORATION

(Exact name of registrant as specified in its charter)

Pennsylvania	0-6983	23-1709202
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(State or other jurisdiction of incorporation)	(Commission file number)	(IRS employer identification no.)

1500 Market Street, Philadelphia, PA	19102-2148
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(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (215) 665-1700

Item 5. Other Events.

Exhibits are filed herewith in connection with the Registration Statement on Form S-3 (File No. 333-81391) originally filed on June 23, 1999 by Comcast Corporation (the "Company").

On November 2, 1999, the Company, Salomon Smith Barney Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Underwriters") entered into an underwriting agreement (the "Underwriting Agreement") pursuant to which the Underwriters agreed to purchase 7,000,000 of the Company's 2.0% Exchangeable Subordinated Debentures due November 2029 (the "Debentures"). The Underwriting Agreement is filed as an exhibit hereto, as well as a Form of Debenture.

On November 3, 1999, the Company filed a prospectus supplement (the "Prospectus Supplement") pursuant to Rule 424(b) of the Securities Act of 1933, as amended, relating to the Debentures.

Item 7. Financial Statements and Exhibits.

(c) Exhibits.

1. Underwriting Agreement dated as of November 2, 1999 between the Company, Salomon Smith Barney Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated.
4. Form of Debenture.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: November 3, 1999

COMCAST CORPORATION

By: /s/ William E. Dordelman

Name: William E. Dordelman

Title: Vice President

EXHIBIT INDEX

Exhibit No.	Exhibit
1.	Underwriting Agreement dated as of November 2, 1999 between the Company, Salomon Smith Barney Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated.
4.	Form of Debenture.

UNDERWRITING AGREEMENT

November 2, 1999

Comcast Corporation
1500 Market Street
Philadelphia, Pennsylvania 19102-2148

Dear Sirs:

We (the "Underwriter") understand that Comcast Corporation, a Pennsylvania corporation (the "Company"), proposes to issue and sell \$571,427,500 aggregate principal amount of 2.0% Exchangeable Subordinated Debentures due November 2029 (the "Offered Securities"). The Offered Securities are to be issued pursuant to the provisions of the Indenture (the "Indenture") by and between the Company and Bankers Trust Company (the "Trustee").

Subject to the terms and conditions set forth or incorporated by reference herein, the Company hereby agrees to sell and the Underwriter agrees to purchase 7,000,000 Offered Securities set forth below at a purchase price of \$80.00 per ZONES (as hereinafter defined), plus accrued interest, if any, from November 5, 1999 to the date of payment and delivery (the "Purchase Price").

The Underwriter will pay for the Offered Securities upon delivery thereof at the offices of Davis Polk & Wardwell, 450 Lexington Avenue, New York, New York at 10:00 a.m. (New York time) on November 5, 1999, or at such other time, not later than 5:00 p.m. (New York time) on November 10, 1999 as shall be designated in writing by the Underwriter and the Company. The time and date of such payment and delivery are hereinafter referred to as the Closing Date.

The Offered Securities shall have the terms set forth in the Prospectus dated September 15, 1999, and the Prospectus Supplement dated November 2, 1999 (together, the "Prospectus"), including the following:

Terms of Offered Securities

Securities: 2.0% Exchangeable Subordinated Debentures due November 2029 (each, a "ZONES").

Maturity Date: November 15, 2029.

Interest Rate: Interest will be paid quarterly in an amount equal to \$0.4082 per ZONES, or 2.0% per year of the original principal amount, plus the amount of any cash dividend paid on the reference shares attributable to each ZONES.

Redemption Provisions: Company may redeem at any time all but not some of the ZONES as a redemption price equal to the sum of (a) the higher of the Contingent Principal Amount of the ZONES or the sum of the Current Market Value of the Reference Shares plus any deferred quarterly payments of interest, plus, in either case, the Final Period Distribution, and (b) \$3.6735 per ZONES if redeemed prior to November 15, 2000, \$2.4490 per ZONES if redeemed prior to November 15, 2001, \$1.2245 per ZONES if redeemed prior to November 15, 2002, or zero per ZONES if redeemed any time on or after November 15, 2002.

If, at any time on or prior to January 30, 2000, a "tax event" shall occur and be continuing, the Company will have the right exercisable within 180 days after such "tax event", upon not less than 15 business days notice, to redeem the ZONES, in whole, at a redemption price equal to the higher of the Contingent Principal Amount of the ZONES or the sum of the Current Market Value of the Reference Shares, determined by reference to an averaging period of 5 rather than 20 trading days, plus, in either case, the Final Period Distribution (computed by accounting for the 5 day averaging period), plus any deferred quarterly payments of interest.

A "tax event" means that the Trustee shall have received an opinion of

nationally recognized independent tax counsel experienced in such matters to the effect that as a result of (a) any amendment to, clarification of, or change (including any announced prospective change) in the laws, or any regulations thereunder, of the United States or any political subdivision or taxing authority thereof or therein, or (b) any judicial decision, official administrative pronouncement, ruling, regulatory procedure, notice or announcement, including any notice or announcement of intent to adopt such procedures or regulations, in each case, on or after the date of the prospectus supplement (a "change in tax law"), there is the creation by such change in tax law of a substantial risk that, as a result of entrance into the ZONES, the Company will be treated for purposes of Section 1259 of the Internal Revenue Code as having constructively sold some or all of its Sprint Corporation PCS Stock.

Interest Payment Dates: February 15, May 15, August 15, and November 15 commencing February 15, 2000.

Form and Denomination: One Global ZONES will be deposited with The Depository Trust Company and the ZONES will be transferrable by book-entry only.

Ranking: Unsecured and subordinated obligations of the Company.

Conversion Provisions: Not applicable.

Exchange Provisions: Exchangeable, at holder's option, for an amount of cash equal to 95% (subject to adjustment as described in the Prospectus) of the market value of a share of Sprint Corporation PCS stock and any other publicly traded equity securities that may be distributed on or in respect of the Sprint PCS Stock.

Lock Up: Company will not, during the period ending 45 days after the date of the Prospectus Supplement, directly or indirectly offer, sell, offer to sell, grant any option for the sale of or otherwise dispose of any ZONES, any securities convertible into or exchangeable for the ZONES or any equity securities substantially similar to the ZONES without the prior written consent of Salomon Smith Barney, Inc.

Over-allotment Option: The Underwriter will have the option to purchase up to 1,050,000 additional ZONES at the Purchase Price to cover over-allotments. The Underwriter can exercise this option for a period of 30 days after the date hereof.

Other Terms: This Agreement may be terminated in the absolute discretion of the Underwriter by notice given to the Company, if between 12:01am and 6:00pm, New York City time, on November 2, 1999, there shall have occurred any development relating to or affecting the proposed merger between Sprint Corporation and MCI WorldCom Inc. which would, in the judgment of the Underwriter, make it impracticable or inadvisable to consummate the offering of the ZONES.

Capitalized terms used above and not defined herein shall have the meanings set forth in the Prospectus referred to above.

Except as set forth below, all provisions contained in the document entitled Comcast Corporation Underwriting Agreement Standard Provisions (Debt Securities, Warrants, Purchase Contracts and Units) dated September 20, 1999 (the "Standard Provisions"), a copy of which is attached hereto, are herein incorporated by reference in their entirety and shall be deemed to be a part of this Agreement to the same extent as if such provisions had been set forth in full herein, except that (i) if any term defined in such document is otherwise defined herein, the definition set forth herein shall control, (ii) all references in such document to a type of security that is not an Offered Security shall not be deemed to be a part of this Agreement and (iii) all references in such document to a type of agreement that has not been entered into in connection with the transactions contemplated hereby shall not be deemed to be a part of this Agreement.

Please confirm your agreement by having an authorized officer sign a copy of this Agreement in the space set forth below.

Very truly yours,

SALOMON SMITH BARNEY INC.
MERRILL LYNCH, PIERCE, FENNER &
SMITH INCORPORATED

Acting severally on behalf of themselves
and the several Underwriters named herein

By: SALOMON SMITH BARNEY INC.

By: /s/ Alan M. Rifkin

Name: Alan M. Rifkin
Title: Vice President

Accepted:

COMCAST CORPORATION

By: /s/ William E. Dordelman

Name: William E. Dordelman
Title: Vice President - Finance

COMCAST CORPORATION

UNDERWRITING AGREEMENT

STANDARD PROVISIONS

(DEBT SECURITIES, WARRANTS, PURCHASE CONTRACTS AND UNITS)

September 20, 1999

From time to time, Comcast Corporation, a Pennsylvania corporation (the "Company"), may enter into one or more underwriting agreements that provide for the sale of designated securities to the several underwriters named therein. The standard provisions set forth herein may be incorporated by reference in any such underwriting agreement (an "Underwriting Agreement"). The Underwriting Agreement, including the provisions incorporated therein by reference, is herein referred to as this Agreement. Terms defined in the Underwriting Agreement are used herein as therein defined.

The Company proposes to issue from time to time (a) its debt securities ("Debt Securities"), (b) warrants ("Warrants") and (c) purchase contracts ("Purchase Contracts") requiring the holders thereof to purchase or sell (i) securities of an entity unaffiliated with the Company, a basket of such securities, an index or indices of such securities or any combination of the above, (ii) currencies or composite currencies or (iii) commodities. Debt Securities, Purchase Contracts and Warrants or any combination thereof may be offered in the form of Units ("Units"). As used herein, the term "Debt Securities" includes prepaid Purchase Contracts.

The Company has filed with the Securities and Exchange Commission (the "Commission") a registration statement including a prospectus relating to the Debt Securities, Warrants, Purchase Contracts and Units (collectively, the "Securities") and has filed with, or transmitted for filing to, or shall promptly after the date of the Underwriting Agreement file with or transmit for filing to, the Commission a prospectus supplement (the "Prospectus Supplement") pursuant to Rule 424 under the Securities Act of 1933, as amended (the "Securities Act"), specifically relating to the Securities offered pursuant to this Agreement (the "Offered Securities"). The term Registration Statement means the registration statement as amended to the date of the Underwriting Agreement including any additional registration statement filed by the Company pursuant to Rule 462(b). The term Basic Prospectus means the prospectus included in the Registration Statement. The term Prospectus means the Basic Prospectus together with the Prospectus Supplement. The term preliminary prospectus means a preliminary

prospectus supplement specifically relating to the Offered Securities, together with the Basic Prospectus. As used herein, the terms "Basic Prospectus", "Prospectus" and "preliminary prospectus" shall include in each case the documents, if any, incorporated by reference therein. The terms "supplement", "amendment" and "amend" as used herein shall include all documents deemed to be incorporated by reference in the Prospectus that are filed subsequent to the date of the Basic Prospectus by the Company with the Commission pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"). If the Company has filed an abbreviated registration statement to register additional Debt Securities and Warrants pursuant to Rule 462(b) under the Securities Act (the "Rule 462 Registration Statement"), then any reference herein to the term "Registration Statement" shall be deemed to include such Rule 462 Registration Statement.

1. Representations and Warranties. The Company represents and warrants to each of the Underwriters as of the date of the Underwriting Agreement that (i) each document filed or to be filed pursuant to the Exchange Act and incorporated by reference in the Prospectus complied or will comply when so filed in all material respects with the Exchange Act and the rules and regulations of the Commission thereunder and (ii) the Registration Statement and Prospectus comply in all material respects with the Securities Act and the rules and regulations of the Commission thereunder and do not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, except that the foregoing representations and warranties do not apply to (a) that part of the Registration Statement which shall constitute the Statement of Eligibility of the Trustee on Form T-1 (the "Form T-1") and (b) statements or omissions in the Registration Statement or the Prospectus or any amendment or supplement thereto based upon information furnished to the Company in writing by any Underwriter through the Manager expressly for use therein.

2. Public Offering. The Company is advised by the Manager that the Underwriters propose to make a public offering of their respective portions of the Offered Securities as soon after this Agreement has been entered into as in the Manager's judgment is advisable. The terms of the public offering of the Offered Securities are set forth in the Prospectus.

3. Purchase and Delivery. Except as otherwise provided in this Section 3, payment for the Offered Securities shall be made to the Company in Federal or other funds immediately available in New York City at the time and place set forth in the Underwriting Agreement, upon delivery to the Manager for the respective accounts of the several Underwriters of the Offered Securities registered in such names and in such denominations as the Manager shall request in writing not less than one full business day prior to the date of delivery, with any transfer taxes payable in connection with the transfer of the Offered Securities to the Underwriters duly paid.

4. Conditions to Closing. The several obligations of the Underwriters hereunder are subject to the following conditions:

(a) No stop order suspending the effectiveness of the Registration Statement shall be in effect, and no proceedings for such purpose shall be pending before or threatened by the Commission, and there shall have been no material adverse change in the condition, business or operations of the Company and its subsidiaries, as a whole, from that set forth in the Prospectus; and the Manager shall have received, on the Closing Date, a certificate, dated the Closing Date and signed by an executive officer of the Company, to the foregoing effect. Such certificate will also provide that the representations and warranties of the Company contained herein are true and correct as of the Closing Date. The officer making such certificate may rely upon the best of his knowledge as to proceedings threatened.

(b) The Manager shall have received on the Closing Date an opinion of Arthur R. Block, Esquire, Senior Deputy General Counsel of the Company, dated the Closing Date, to the effect that:

(i) the Company has been duly incorporated, is validly existing as a corporation subsisting under the laws of the Commonwealth of Pennsylvania and is duly qualified to transact business and is in good standing in each jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualification (except where the failure to so qualify would not have a material adverse effect upon the business or financial condition of the Company and its subsidiaries, as a whole),

(ii) each of Comcast Cable Communications, Inc. and QVC, Inc. (such corporations are together the "specified subsidiaries" of the Company and each is a "specified subsidiary" of the Company) has been duly incorporated, is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation and is duly qualified to transact business and is in good standing in each jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualification (except where the failure to so qualify would not have a material adverse effect upon the business or financial condition of the Company and its subsidiaries, as a whole),

(iii) each of the Senior Indenture dated as of June 15, 1999 (the "Senior Indenture") between the Company and Bank of Montreal Trust Company, as trustee, and the Subordinated Indenture dated as of June 15, 1999 (the "Subordinated Indenture") between the Company and

Bankers Trust Company, as trustee has been duly authorized, executed and delivered by the Company,

(iv) the Warrant Agreement, if any, has been duly authorized, executed and delivered by the Company,

(v) the Unit Agreement, if any, has been duly authorized, executed and delivered by the Company,

(vi) the Offered Securities have been duly authorized by the Company,

(vii) this Agreement has been duly authorized, executed and delivered by the Company,

(viii) except as rights to indemnity and contribution under this Agreement may be limited under applicable law, the execution and delivery by the Company of, and the performance by the Company of its obligations under, this Agreement, the Senior Indenture, the Subordinated Indenture, the Offered Securities, the Warrant Agreement and the Unit Agreement, if any, will not contravene any provision of applicable law of the United States (except with respect to laws relating specifically to the cable communications industry, as to which such counsel is not called upon to express any opinion), Pennsylvania, or, to the best knowledge of such counsel, of any other state or jurisdiction of the United States or of any foreign jurisdiction (in which foreign jurisdiction the Company or any specified subsidiary does business which is material to the Company and its subsidiaries, as a whole), or the articles of incorporation or by-laws of the Company or, to the best knowledge of such counsel, any agreement or other instrument binding upon the Company, and, except for the orders of the Commission making the Registration Statement effective and the Senior Indenture and the Subordinated Indenture qualified under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act") (which have been obtained) and such permits or similar authorizations required under the securities or Blue Sky laws of certain states or foreign jurisdictions (as to which such counsel is not called upon to express any opinion), no consent, approval or authorization of any governmental body or agency of the United States (except with respect to consents, approvals and authorizations relating specifically to the cable communications industry, as to which such counsel is not called upon to express any opinion), Pennsylvania, or, to the best knowledge of such counsel, of any other state or jurisdiction of the United States or of any foreign jurisdiction is required for the performance by the Company of its obligations under this Agreement, the Senior Indenture, the Subordinated Indenture, the

Offered Securities, the Warrant Agreement and the Unit Agreement, if any,

(ix) subject to such qualification as may be set forth in the Prospectus, the Company and its subsidiaries have, and are in material compliance with, such franchises, and to the best knowledge of such counsel after reasonable investigation, such licenses and authorizations, as are necessary to own their cable communications properties and to conduct their cable communications business in the manner described in the Prospectus, except where the failure to have, or comply with, such franchises, licenses and authorizations would not have a material adverse effect on the business or financial condition of the Company and its subsidiaries, as a whole, and such franchises, licenses and authorizations contain no materially burdensome restrictions not adequately described in the Prospectus, which restrictions would have a material adverse effect on the business or financial condition of the Company and its subsidiaries, as a whole,

(x) the statements (A) in Item 3 of the Company's most recent Annual Report on Form 10-K incorporated by reference in the Prospectus, (B) in Part II, Item 1 under the caption "Legal Proceedings" of the Company's most recent Quarterly Report on Form 10-Q incorporated by reference in the Prospectus and (C) in the Registration Statement in Item 15, insofar as such statements constitute a summary of the legal matters, documents or proceedings referred to therein, fairly present the information called for with respect to such legal matters, documents and proceedings,

(xi) such counsel does not know of any legal or governmental proceeding pending or threatened to which the Company or any of its subsidiaries is a party or to which any of the properties of the Company or any of its subsidiaries is subject which is required to be described in the Registration Statement or the Prospectus and is not so described or of any contract or other document which is required to be described in the Registration Statement or the Prospectus or to be filed as an exhibit to the Registration Statement which is not described or filed as required,

(xii) the securities into which the Offered Securities are convertible, initially reserved for issuance upon conversion of the Offered Securities (the "Underlying Securities") have been duly authorized and reserved for issuance, and

(xiii) when the Underlying Securities are issued upon conversion of the Offered Securities in accordance with the terms of the Offered

Securities, such Underlying Securities will be validly issued, fully paid and non-assessable and will not be subject to any preemptive or other right to subscribe for or purchase such Underlying Securities.

Such counsel shall also state that no facts have come to his attention that lead him to believe (1) that the Registration Statement or any amendments thereto (except for the financial statements and other financial or statistical data included or incorporated by reference therein or omitted therefrom and the Form T-1, as to which such counsel is not called upon to express any belief), on the date on which it became effective or the date of filing of the most recent subsequent Annual Report on Form 10-K, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (2) that the Prospectus, as amended or supplemented, if applicable (except for the financial statements and other financial or statistical data included or incorporated by reference therein or omitted therefrom, as to which such counsel is not called upon to express any belief), at the date of the Underwriting Agreement or at the Closing Date, contained or contains an untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; or (3) that the documents incorporated by reference in the Prospectus (except for the financial statements and other financial or statistical data included or incorporated by reference therein or omitted therefrom, as to which such counsel is not called upon to express any belief), as of the dates they were filed with the Commission, contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading.

With respect to the preceding paragraph, such counsel may state that his opinion and belief is based upon his participation in the preparation of the Registration Statement, Prospectus (as amended or supplemented) and the documents incorporated therein by reference and review and discussion of the contents thereof, but is without independent check or verification except as specified.

In expressing his opinion as to questions of the law of jurisdictions other than the Commonwealth of Pennsylvania and the United States, such counsel may rely to the extent reasonable on such counsel as may be reasonably acceptable to counsel to the Underwriters. In addition, such counsel may reasonably rely as to questions of fact on certificates of responsible officers of the Company.

(c) The Manager shall have received on the Closing Date an opinion of Davis Polk & Wardwell, special counsel for the Company, dated the Closing Date, to the effect that:

(i) assuming each of the Senior Indenture and the Subordinated Indenture have been duly authorized, executed and delivered by the

Company and duly executed and delivered by the respective trustee thereto, each of the Senior Indenture and the Subordinated Indenture is a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms (subject, as to enforcement of remedies, to applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting creditors' rights generally from time to time in effect and to general equity principles),

(ii) assuming the Warrant Agreement, if any, has been duly authorized, executed and delivered by the Company and duly executed and delivered by the Warrant Agent, the Warrant Agreement, if any, is a valid and binding agreement of the Company, enforceable in accordance with its terms (subject, as to enforcement of remedies, to applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting creditors' rights generally from time to time in effect and to general equity principles);

(iii) assuming the Unit Agreement, if any, has been duly authorized, executed and delivered by the Company and duly executed and delivered by the Agent, the Unit Agreement, if any, is a valid and binding agreement of the Company, enforceable in accordance with its terms (subject, as to enforcement of remedies, to applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting creditors' rights generally from time to time in effect and to general equity principles);

(iv) assuming the Offered Securities have been authorized by the Company, the Offered Securities, when executed and authenticated in accordance with the provisions of the relevant Senior Indenture, Subordinated Indenture, the Warrant Agreement and the Unit Agreement, as the case may be, and delivered to and paid for (A) by the Underwriters in accordance with the terms of this Agreement, and (B) upon exercise of the Warrants pursuant to the Warrant Agreement, in the case of Warrant Securities, will be valid and binding obligations of the Company, enforceable against the Company in accordance with their terms (subject, as to enforcement of remedies, to applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting creditors' rights generally from time to time in effect and to general equity principles), and will be entitled to the benefits of the relevant Senior Indenture, Subordinated Indenture, the Warrant Agreement and the Unit Agreement, as the case may be,

(v) each of the Senior Indenture and the Subordinated Indenture has been duly qualified under the Trust Indenture Act,

(vi) except as rights to indemnity and contribution under this Agreement may be limited under applicable law, the execution and delivery by the Company of, and the performance by the Company of its obligations under, this Agreement, the Senior Indenture, the Subordinated Indenture, the Offered Securities, the Warrant Agreement and the Unit Agreement, if any, will not contravene any provision of applicable law of the United States (except with respect to laws relating specifically to the cable communications industry, as to which such counsel is not called upon to express any opinion), or New York and, except for the orders of the Commission making the Registration Statement effective and the Senior Indenture and the Subordinated Indenture qualified under the Trust Indenture Act (which have been obtained) and such permits or similar authorizations required under the securities or Blue Sky laws of certain states or foreign jurisdictions (as to which such counsel is not called upon to express any opinion), no consent, approval or authorization of any governmental body or agency of the United States (except with respect to consents, approvals and authorizations relating specifically to the cable communications industry, as to which such counsel is not called upon to express any opinion), or New York is required for the performance by the Company of its obligations under this Agreement, the Senior Indenture, the Subordinated Indenture, the Offered Securities, the Warrant Agreement and the Unit Agreement, if any, and

(vii) the statements in the Prospectus Supplement under "Description of [the Offered Securities]", "Certain U.S. Tax Considerations" and "Underwriting" and in the Basic Prospectus under "Description of [the Offered Securities]", "United States Taxation" and "Plan of Distribution", insofar as such statements constitute a summary of the legal matters or documents referred to therein, fairly present the information called for with respect to such legal matters and documents.

Such counsel shall also state that no facts have come to the attention of such counsel that lead them to believe (1) that the Registration Statement and the Prospectus and any supplements or amendments thereto or the documents incorporated by reference in the Registration Statement and Prospectus (except for financial statements and other financial or statistical data included or incorporated by reference therein and the Form T- 1, as to which such counsel is not called upon to express any belief) did not comply as to form in all material respects with the Securities Act and the rules and regulations of the Commission thereunder; (2) that the Registration Statement or any amendment thereto (except for the financial statements and other financial or statistical data included or incorporated by reference therein or omitted therefrom and the Form T-1, as to which such counsel is not called upon to express any belief) at the date of the Underwriting Agreement contained an untrue statement of a material fact or omitted to state a material

fact required to be stated therein or necessary to make the statements therein not misleading; or (3) that the Prospectus, as amended or supplemented, if applicable (except for the financial statements and other financial or statistical data included or incorporated by reference therein or omitted therefrom, as to which such counsel is not called upon to express any belief), at the date of the Underwriting Agreement or at the Closing Date, contained or contains an untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading.

With respect to the preceding paragraph, Davis Polk & Wardwell may state that their opinion and belief is based upon their participation in the preparation of the Registration Statement and Prospectus and any amendments or supplements thereto (but not including documents incorporated therein by reference) and review and discussion of the contents thereof (including documents incorporated therein by reference), but is without independent check or verification except as specified.

(d) The Manager shall have received on the Closing Date an opinion of Dow, Lohnes and Albertson, PLLC special counsel for the Company, dated the Closing Date, to the effect that:

(i) no approval of the Federal Communications Commission (the "FCC") is required in connection with the issuance and sale of the Offered Securities,

(ii) the execution and delivery of this Agreement, the Senior Indenture, the Subordinated Indenture, the Warrant Agreement and the Unit Agreement, if any, by the Company, the fulfillment of the terms set forth herein and therein by the Company and the consummation of the transactions contemplated hereby and thereby by the Company do not violate any statute, regulation or other law of the United States relating specifically to the cable communications industry (except as otherwise explicitly set forth in the Prospectus) or, to the knowledge of such counsel, any order, judgment or decree of any court or governmental body of the United States relating specifically to the cable communications industry and applicable to the Company or any subsidiary, and which violation would have a material adverse effect on the business or financial condition of the Company and its subsidiaries, as a whole,

(iii) the statements in the Company's most recent Annual Report on Form 10-K incorporated by reference in the Registration Statement and Prospectus [identify sections describing cable regulatory matters] as updated by the Company's most recent Quarterly Reports on Form 10-Q incorporated in the Registration Statement and Prospectus and as updated by the Prospectus, insofar as they are, or refer to, statements of federal law

or legal conclusions, have been reviewed by such counsel and present in all material respects the information called for with respect to such statements of federal law or legal conclusions, and

(iv) such counsel does not know of any proceeding pending before the FCC to which the Company or any of its subsidiaries is a party or involving the cable communications properties, licenses or authorizations of the Company and its subsidiaries, or of any cable communications law or regulation relevant thereto required to be described in the Registration Statement or Prospectus pursuant to Regulation S-K promulgated under the Securities Act, which is not described as required.

(e) The Manager shall have received on the Closing Date an opinion of Cahill Gordon & Reindel (a partnership including a professional organization), counsel for the Underwriters, dated the Closing Date, covering the matters requested by and in form and substance reasonably satisfactory to the Manager.

(f) The Manager shall have received on the Closing Date, a letter dated the Closing Date, in each case in form and substance satisfactory to the Manager, from Deloitte & Touche LLP, independent public accountants, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in or incorporated by reference in the Registration Statement and the Prospectus.

(g) The Manager shall have received on the date hereof or on the Closing Date, as applicable, such additional documents as the Manager shall have reasonably requested to confirm compliance with the conditions to Closing listed herein.

5. Covenants of the Company. In further consideration of the agreements of the Underwriters herein contained, the Company covenants as follows:

(a) To furnish to the Manager, without charge, a copy of the Registration Statement and two signed copies of any post-effective amendment thereto specifically relating to the Offered Securities (including exhibits thereto and documents incorporated therein by reference) and, during the period mentioned in paragraph (c) below, as many copies of the Prospectus, any documents incorporated therein by reference and any supplements and amendments thereto as the Manager may reasonably request.

(b) Before amending or supplementing the Registration Statement or the Prospectus, to furnish the Manager a copy of each such proposed amendment or supplement.

(c) If, during such period after the first date of the public offering of the Offered Securities during which in the opinion of counsel to the Manager the Prospectus is required by law to be delivered in connection with sales by an Underwriter or dealer, any event shall occur as a result of which it is necessary to amend or supplement the Prospectus in order to make the statements therein, in the light of the circumstances existing at the time, not misleading, forthwith to prepare and furnish, at its expense, to the Underwriters and to the dealers (whose names and addresses the Manager will furnish to the Company) to which Offered Securities may have been sold by the Manager on behalf of the Underwriters and to any other dealers on request, either amendments or supplements to the Prospectus so that the statements in the Prospectus as so amended or supplemented will not, in the light of the circumstances existing at the time, be misleading.

(d) To endeavor to qualify the Offered Securities for offer and sale under the securities or Blue Sky laws of such U.S. jurisdictions as the Manager shall reasonably request.

(e) To make generally available to the Company's security holders as soon as practicable an earnings statement covering the twelve month period beginning on the first day of the first fiscal quarter commencing after the date hereof, which shall satisfy the provisions of Section 11(a) of the Securities Act and the rules and regulations of the Commission thereunder (which may be accomplished by making generally available the Company's financial statements in the manner provided for by Rule 158 of the Securities Act).

(f) To comply with all provisions of Section 517.075, Florida Statutes (Chapter 92-198, Laws of Florida) relating to doing business with Cuba.

6. Indemnification and Contribution. The Company agrees to indemnify and hold harmless each Underwriter and each person, if any, who controls each Underwriter within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act from and against any and all losses, claims, damages and liabilities caused by any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or the Prospectus (as amended or supplemented) or any preliminary prospectus, or caused by any omission or alleged omission to state therein a material fact necessary to make the statements therein not misleading, except insofar as such losses, claims, damages or liabilities are caused by any such untrue statement or omission or alleged untrue statement or omission based upon information furnished to the Company in writing by such Underwriter through the Manager expressly for use therein;

provided, however, that the foregoing indemnity agreement with respect to any preliminary prospectus shall not inure to the benefit of any Underwriter from whom the person asserting any such losses, claims, damages or liabilities purchased Offered Securities, or any person controlling any such Underwriter, if a copy of the Prospectus (as then amended or supplemented) was not sent or given by or on behalf of such Underwriter to such person, if required by law so to have been delivered, at or prior to the written confirmation of the sale of the Offered Securities to such person, and if the Prospectus (as so amended or supplemented but without reference to documents incorporated by reference therein) would have cured the defect giving rise to such loss, claim, damage or liability.

Each Underwriter agrees to indemnify and hold harmless the Company, its directors, its officers who sign the Registration Statement and each person, if any, who controls the Company within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the foregoing indemnity from the Company to such Underwriter, but only with reference to information relating to such Underwriter furnished to the Company in writing by such Underwriter through the Manager expressly for use in the Registration Statement, the Prospectus, any amendment or supplement thereto, or any preliminary prospectus.

In case any proceeding (including any governmental investigation) shall be instituted involving any person in respect of which indemnity may be sought pursuant to either of the two preceding paragraphs, such person (hereinafter called the "indemnified party") shall promptly notify the person against whom such indemnity may be sought (hereinafter called the "indemnifying party") in writing and the indemnifying party, upon request of the indemnified party, shall retain counsel reasonably satisfactory to the indemnified party to represent the indemnified party and any others the indemnifying party may designate in such proceeding and shall pay the fees and disbursements of such counsel related to such proceeding. In any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the retention of such counsel or (ii) the named parties to any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood that the indemnifying party shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable fees and expenses of more than one separate firm (in addition to any local counsel) for all such indemnified parties and that all such fees and expenses shall be reimbursed as they are incurred. In the case of any such separate firm for the Underwriters and such control persons of the Underwriters, such firm shall be designated in writing by the Manager. In the case of any such separate firm for the Company and such directors, officers and controlling persons of the Company, such firm shall be designated in writing by the Company. The indemnifying party shall not be liable for any settlement of any

proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the indemnifying party agrees to indemnify, to the extent provided in the two immediately preceding paragraphs, the indemnified party from and against any loss or liability by reason of such settlement or judgment. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened proceeding in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such proceeding.

If the indemnification provided for in the second or third paragraph of this Section 6 is unavailable to an indemnified party in respect of any losses, claims, damages or liabilities for which indemnification is provided herein, then the indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the Company and the Underwriters from the offering of the Offered Securities or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company and of the Underwriters in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company and the Underwriters shall be deemed to be in the same respective proportions as the net proceeds from the offering (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by the Underwriters in respect thereof. The relative fault of the Company and the Underwriters shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 6 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in the immediately preceding paragraph. The amount paid or payable by an indemnified party as a result of the losses, claims, damages and liabilities referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 6, the Underwriters shall not be required to contribute any amount in excess of the amount by which the total price at which the Offered Securities

underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which the Underwriters have otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

The indemnity and contribution agreement contained in this Section 6 and the representations and warranties of the Company contained in this Agreement shall remain operative and in full force and effect regardless of (i) any termination of this Agreement, (ii) any investigation made by or on behalf of the Underwriters or any person controlling the Underwriters or by or on behalf of the Company, its officers or directors or any other person controlling the Company and (iii) acceptance of and payment for any of the Offered Securities.

7. Termination. This Agreement shall be subject to termination in the absolute discretion of the Manager by notice given by the Manager to the Company, if (a) after the execution and delivery of the Underwriting Agreement and prior to the Closing Date (i) trading generally shall have been suspended or materially limited on or by, as the case may be, the New York Stock Exchange, the American Stock Exchange, or the National Association of Securities Dealers, Inc., (ii) trading of any securities of the Company shall have been suspended on the Nasdaq National Market, (iii) a general moratorium on commercial banking activities in New York shall have been declared by either Federal or New York State authorities, or (iv) there shall have occurred any outbreak or escalation of hostilities or any change in financial markets or any calamity or crisis that, in the judgment of the Manager, is material and adverse and (b) in the case of any of the events specified in clauses (a)(i) through (iv), such event, singly or together with any other such event, makes it, in the judgment of the Manager, impracticable to market the Offered Securities on the terms and in the manner contemplated in the Prospectus.

The Company will pay and bear all costs and expenses incident to the performance of its obligations under this Agreement, including (a) the preparation, printing and filing of the Registration Statement (including financial statements and exhibits), as originally filed and as amended, the preliminary prospectuses and the Prospectus and any amendments or supplements thereto, and the cost of furnishing copies thereto to the Underwriters, (b) the preparation, printing and distribution of this Agreement, the Senior Indenture, the Subordinated Indenture, the Warrant Agreement and the Unit Agreement, if any, and Blue Sky Memorandum, (c) the delivery of the Offered Securities to the Underwriters, (d) the reasonable fees and disbursements of the Company's counsel and accountants, (e) the qualification of the Offered Securities under the applicable state securities or Blue Sky laws in accordance with Section 5, including filing fees and reasonable fees and disbursements of counsel for the Underwriters in connection therewith and in connection with any Blue Sky survey and any legal investment survey, (f) all fees payable to the National Association of Securities Dealers,

Inc. in connection with the review, if any, of the offering of the Securities, (g) any fees charged by rating agencies for rating the Offered Securities and (h) the fees and expenses of the Trustee, including the fees and disbursements of counsel for the Trustee, in connection with the Senior Indenture, the Subordinated Indenture and the Offered Securities. Except as specifically provided elsewhere herein, the Underwriters will pay all of their own costs and expenses, including without limitation the fees and expenses of their counsel and the expenses of selling presentations.

If this Agreement shall be terminated by the Underwriters because of any failure or refusal on the part of the Company to comply with the terms or to fulfill any of the conditions of this Agreement, or if for any reason the Company shall be unable to perform its obligations under this Agreement, the Company will reimburse the Underwriters for all out-of-pocket expenses (including the fees and disbursements of their counsel) reasonably incurred by the Underwriters in connection with this Agreement or the offering contemplated hereunder. This provision shall survive the termination or cancellation of this Agreement.

8. Defaulting Underwriters. If on the Closing Date any one or more of the Underwriters shall fail or refuse to purchase Offered Securities that it has or they have agreed to purchase on such date, and the aggregate amount of Offered Securities which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase is not more than one-tenth of the aggregate amount of the Offered Securities to be purchased on such date, the other Underwriters shall be obligated severally in the proportions that the amount of Offered Securities set forth opposite their respective names bears to the aggregate amount of Offered Securities set forth opposite the names of all such non-defaulting Underwriters, or in such other proportions as the Manager may specify, to purchase the Offered Securities which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase on such date; provided that in no event shall the amount of Offered Securities that any Underwriter has agreed to purchase pursuant to this Agreement be increased pursuant to this Section 8 by an amount in excess of one-ninth of such amount of Offered Securities without the written consent of such Underwriter. If on the Closing Date any Underwriter or Underwriters shall fail or refuse to purchase Offered Securities and the aggregate amount of Offered Securities with respect to which such default occurs is more than one-tenth of the aggregate amount of Offered Securities to be purchased on such date, and arrangements satisfactory to the Manager and the Company for the purchase of such Offered Securities are not made within 36 hours after such default, this Agreement shall terminate without liability on the part of any non-defaulting Underwriter or the Company. In any such case either the Manager or the Company shall have the right to postpone the Closing Date but in no event for longer than seven days, in order that the required changes, if any, in the Registration Statement and in the Prospectus or in any other documents or arrangements may be effected. Any action taken under this paragraph shall not relieve any defaulting Underwriter from liability in respect of any default of such Underwriter under this Agreement.

9. Counterparts. The Underwriting Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

10. Applicable Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York.

11. Headings. The headings of the sections of this Agreement have been inserted for convenience of reference only and shall not be deemed a part of this Agreement.

Certificate Number R-__

Number of ZONES represented hereby: _____
 (representing \$_____ in aggregate original principal amount)

Unless this certificate is presented by an authorized representative of The Depository Trust Company (55 Water Street, New York, New York) ("DTC"), to the Company (as defined below) or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Unless and until it is exchanged in whole or in part for securities in definitive registered form, this certificate may not be transferred except as a whole by DTC to a nominee of DTC or by a nominee of DTC to DTC or another nominee of DTC or by DTC or any such nominee to a successor Depository or a nominee of such successor Depository.

COMCAST CORPORATION

2.0% EXCHANGEABLE
 SUBORDINATED DEBENTURE DUE NOVEMBER 2029
 (each a "ZONES")

CUSIP 200300606

COMCAST CORPORATION, a corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania (herein called the "Company", which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to

Cede & Co. or its registered assigns,

the Maturity Amount

in any coin or currency of the United States of America which, at the time of payment is legal tender for public and private debts, upon presentation and surrender of this Debenture, on the 15th day of November, 2029, at the office or agency of the Company in New York, New York, and to pay interest on the original principal amount at the Interest Rate, in like coin or currency, from the original date of issuance of this Debenture or from the most recent February 15, May 15, August 15 or November 15 to which interest has been paid or duly provided for, quarterly in arrears on the 15th day of February, May, August and November of each year, commencing February 15, 2000, until payment of said Maturity Amount, or if earlier redeemed, the Redemption Amount, has been in either case made or duly provided for. For purposes of this Debenture, the "Interest Rate" means a rate of 2.0% per annum plus the amount of the Reference Shares Dividend Amount. Additional Interest will be distributed as specified on the reverse hereof. Changes in the Contingent Principal Amount will not affect the Interest Rate. Interest may be deferred, at the election of the Company as specified on the reverse hereof. Any such interest payable on any February 15, May 15, August 15 or November 15 shall (subject to exceptions provided in the Indenture referred to on the reverse hereof) be paid to the person in whose name this Debenture or the Debentures in exchange or substitution for which this Debenture shall have been issued, shall have been registered at the close of business on February 1, May 1, August 1 or November 1, as

the case may be next preceding such February 15, May 15, August 15 or November 15 whether or not such February 1, May 1, August 1 or November 1 is a Business Day. Capitalized terms used on the face hereof without definition have the meaning specified on the reverse hereof.

THE PROVISIONS OF THIS DEBENTURE ARE CONTINUED ON THE REVERSE HEREOF AND SUCH CONTINUED PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH AT THIS PLACE.

This Debenture shall not be entitled to any benefit under the Indenture referred to on the reverse hereof or any indenture supplemental thereto, or become valid or obligatory for any purpose until the Trustee under said Indenture, or a successor trustee thereunder, shall have signed the form of certificate of authentication appearing hereon.

* * *

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IN WITNESS WHEREOF, COMCAST CORPORATION has caused this instrument to be
duly executed under its corporate seal.

Dated:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Debentures of the series referred to on the reverse hereof.

Bankers Trust Company,
as Trustee,

By: _____
Authorized Officer

COMCAST CORPORATION

By: _____
Title:

Attest: _____
Title:

[Reverse of Debentures]

2.0% EXCHANGEABLE
SUBORDINATED DEBENTURE DUE NOVEMBER 2029

General

This Debenture is one of a duly authorized issue of debentures, notes, bonds or other evidences of indebtedness of the Company (herein called the "Securities") of the series hereinafter specified, all issued or to be issued under an indenture dated as of June 15, 1999 (herein called the "Indenture") executed between the Company and Bankers Trust Company, a New York banking corporation with its principal offices in New York, New York (hereinafter called the "Trustee"), to which indenture and all supplemental indentures reference is hereby made for a specification of the rights and limitations of rights thereunder of the registered holders of the Debentures, the rights and obligations thereunder of the Company and the rights, duties and immunities thereunder of the Trustee and the terms upon which the Debentures are, and are to be, authenticated and delivered. The terms of the Indenture are hereby incorporated by reference herein. The Securities may be issued in one or more series, which different series may be issued in various aggregate principal amounts, may mature at different times, may bear interest (if any) at different rates, may be subject to different redemption or repayment provisions (if any), may be subject to different sinking, purchase or analogous funds (if any) and may otherwise vary as provided in the Indenture. This Debenture is one of a series designated as 2.0% Exchangeable Subordinated Debentures due November 2029 (hereinafter called the "ZONES") of the Company, each ZONES representing \$81.6325 in original principal amount, limited in aggregate number to 7,000,000 (or \$571,427,500 in aggregate original principal amount) or 8,050,000 (or \$657,141,625 in aggregate original principal amount if the underwriter's over-allotment option is exercised in full).

The Debentures will be unsecured, subordinated obligations of the Company. The indebtedness evidenced by the Debentures is, to the extent provided in the Indenture, subordinate and subject in right and payment to the prior payment in full of all Senior Indebtedness as defined in the Indenture, and each holder of this Debenture, by accepting the same, agrees to and shall be bound by the provisions of the Indenture.

The Maturity Amount, the Redemption Amount, Additional Interest, if any, and interest on the ZONES will be payable at the office or agency the Company maintains for such purpose within The City and State of New York or, at the Company's option, payment of cash interest may be made by check mailed to the holders of the ZONES at their respective addresses set forth in the register of holders of ZONES; provided that all cash payments with respect to ZONES to a holder of a minimum of 100,000 ZONES who has given written wire transfer instructions, on or prior to the relevant record date, to the paying agent, will be made by wire transfer of immediately available funds to the accounts specified by such holders. Until otherwise designated by the Company, the Company's office or agency in New York will be the office of the Trustee maintained for such purpose. The ZONES will be issued in denominations of one ZONES and integral multiples thereof.

Interest and Additional Interest

The Company shall pay interest to the holder of this Debenture in such amounts and at such times as specified on the face of this Debenture. At least five (5) Business Days prior to each Interest Payment Date the Company shall deliver an Officers' Certificate to the Trustee setting forth: (i) the amount of interest per ZONES due for that interest period, (ii) the applicable Reference Shares Dividend Amount and (iii) the total payment due for that period on all ZONES outstanding. "Reference Shares Dividend Amount" means, in respect of any quarterly interest

period, an amount per ZONES equal to the amount of all quarterly cash dividends paid on the Reference Shares attributable to a ZONES.

In addition, the Company shall also distribute, as additional interest on each ZONES ("Additional Interest"), a proportionate amount of any property, including cash (other than the Reference Shares Dividend Amount), distributed on or with respect to the Reference Shares attributable to each ZONES (other than publicly traded equity securities). If any property that is not publicly traded is distributed on the Reference Shares, the Company will pay each holder of ZONES the proportionate amount the fair market value of that property as determined in good faith by the Board of Directors of the Company (as defined in the Indenture). The Company will distribute Additional Interest on the 20th Business Day after such property is distributed on the Reference Shares to holders of the ZONES on the tenth Business Day after the date of distribution. Each ZONES shall initially be entitled to dividends and distributions on or with respect to one Reference Share as of the original date of issuance of the ZONES, subject to adjustment as provided herein.

At least five (5) Business Days prior to any distribution of Additional Interest on the ZONES, the Company shall deliver an Officers Certificate to the Trustee setting forth: (i) the exact amount of property to be distributed on or with respect to the Reference Shares per ZONES and (ii) the total amount of property to be distributed on or with respect to the Reference Shares for all outstanding ZONES at the date of such distribution. If any distribution is made of any property that is not publicly traded, then at least five (5) Business Days prior to such distribution, the Company shall deliver to the Trustee: (i) a certified copy of the resolution of the Board of Directors establishing the fair market value of the property and setting a special record date for such distribution, (ii) an Officers' Certificate setting forth the exact amount of property to be distributed on the Reference Shares per ZONES and (iii) the total amount of property that is not publicly traded to be distributed on the Reference Shares for all outstanding ZONES. In each case described above, the Company will state whether it will distribute such Additional Interest in property or cash. The Trustee is only responsible for distributing property in the form of global book entry securities which are DTC eligible. The Company is responsible for acting as its own paying agent to make all other distributions of property. The Company will prepare a press release relating to any such distribution to be provided to DTC for dissemination through the DTC broadcast facility.

If interest is payable on a date that is not a Business Day (as defined at the end of this paragraph), payment will be made on the next Business Day (and without any interest or other payment in respect of such delay). However, if the next Business Day is in the next calendar year, payment of interest will be made on the preceding Business Day. A "Business Day" means each day except Saturday, Sunday and any day on which banking institutions in The City of New York are authorized or required by law to close.

Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months. The Company will pay interest on any overdue Maturity Amount at 10.25% per annum, compounded quarterly, and it shall pay interest on overdue installments of interest and the fair market value of Additional Interest (without regard to any applicable grace period) at the same rate compounded quarterly.

Deferral of Interest Payments

If no Event of Default (as defined in the Indenture) has occurred and is continuing under the ZONES, the Company may, at any time and from time to time, defer quarterly interest payments on the Debentures for up to 20 consecutive quarterly periods; provided that a deferral of interest payments may not extend beyond the maturity date of the ZONES. The Company may not defer distributions of Additional Interest. If the Company defers quarterly payments of interest, the Contingent Principal Amount (as defined below) of the ZONES shall be increased by the amount of the deferral and the Early Exchange Ratio (as defined below) will increase to 100% from the date of the deferral. After the Company makes all accrued interest payments on the ZONES, with accrued interest at an annual rate of 2.0% compounded quarterly, the Contingent Principal Amount shall be reduced by the amount of the deferral, the Early Exchange Ratio shall decrease to 95%, and the Company may thereafter again postpone interest payments as described above. During any deferral period, so long as the Current Market Value of the Reference Shares attributable to the ZONES exceeds the original principal amount of the ZONES, the Company may at its option, but is not obligated to, increase the amount of Reference Shares attributable to each ZONES by an annual rate of 2.0% compounded quarterly. If the Company elects to make this increase in an interest payment period, the holder shall have no right to claim accrued interest in that period and the Company shall be deemed current on that quarterly payment of interest and shall not increase the Contingent Principal Amount, provided that the Early Exchange Ratio shall remain at 100% only for the five Business Days immediately following the scheduled quarterly Interest Payment Date related to the deferral. After that five day period, the Early Exchange Ratio shall decrease to 95%. The Company shall give the Trustee notice if the Company decides to defer interest payments on the ZONES as described below and will prepare a press release to be provided to DTC for dissemination through the DTC broadcast facility. The Company shall give that notice one Business Day before the earlier of (i) the record date for the next date interest on the ZONES is payable; or (ii) the date the Company is required to give notice to the NYSE (or any other applicable self-regulatory organization) or to holders of the ZONES of the record date or the date any distribution is payable.

The notice described above shall be in the form of an Officers' Certificate to the Trustee setting forth: (i) the period with respect to which it is electing to defer payment of interest, (ii) the exact amount of increase of Contingent Principal Amount per ZONES, (iii) the total amount of increase of Contingent Principal Amount for all outstanding ZONES, (iv) a statement that the Early Exchange Ratio will increase to 100% prospectively from that date and (v) that no Event of Default (as defined in the Indenture) has occurred and is continuing under the ZONES. The Company is required to deliver such an Officers' Certificate for each interest payment deferred.

If and when the Company pays all of its deferred interest and accrued interest, it must deliver to the Trustee an Officers' Certificate setting forth the calculation of accrued interest owed per ZONES and the total amount owed on all outstanding ZONES.

If the Company elects to increase the amount of Reference Shares payable for each ZONES as provided for above in lieu of paying accrued interest for that quarter, it shall deliver an Officers' Certificate to the Trustee setting forth: (i) the amount of such increase and the total amount, after such increase, of Reference Shares applicable to each ZONES and (ii) the total amount of Reference Shares applicable to all outstanding ZONES.

Principal Amount

The original principal amount per ZONES is equal to \$81.6325. The minimum amount payable upon redemption or maturity of a ZONES (the "Contingent Principal Amount") shall initially be equal to the original principal amount. If an Extraordinary Dividend (as defined below) is paid on the Reference Shares, the Contingent Principal Amount for a ZONES shall be reduced on a quarterly basis to the extent necessary so that the yield to the date of computation (including all quarterly interest payments other than those attributable to regular periodic cash dividends) does not exceed 2.0%. In no event will the Contingent Principal Amount be less than zero.

An "Extraordinary Dividend" means a dividend or distribution consisting of cash or any other property (other than additional Reference Shares), except for regular periodic cash dividends.

At maturity a holder will be entitled to receive for each ZONES the Maturity Amount. The "Maturity Amount" means the higher of (a) the Contingent Principal Amount per ZONES and (b) the sum of the Current Market Value of the Reference Shares attributable to a ZONES on the maturity date plus any unpaid quarterly payments of interest due per ZONES, plus, in either case, the Final Period Distribution attributable to one ZONES.

"Final Period Distribution" means, in respect of (a) the maturity date, a distribution determined in accordance with clauses (2), (3) and (4) below and (b) a redemption date, a distribution determined in accordance with clauses (1), (2), (3) and (4) below. In the case of a redemption date in connection with a Rollover Offering, the distribution determined in accordance with clause (4) shall be all dividends and distributions on or in respect of the Reference Shares which a holder of Reference Shares on the Pricing Date would be entitled to receive.

- (1) Unless (a) the scheduled redemption date of the ZONES is also a scheduled quarterly Interest Payment Date or (b) quarterly interest has been deferred for the then current quarterly dividend period, an amount equal to an annual rate of 2.0% on the original principal amount of the ZONES from the most recent scheduled Interest Payment Date to the date of redemption, plus
- (2) all dividends and distributions on or in respect of the Reference Shares declared by the applicable Reference Company and for which the ex- date falls during the period from the date of original issuance of the ZONES to the most recent scheduled Interest Payment Date and which have not been distributed to holders of Reference Shares prior to the most recent scheduled Interest Payment Date, plus
- (3) all dividends and distributions on or in respect of the reference shares which a holder of reference shares during the period from the most recent scheduled quarterly Interest Payment Date to the date immediately preceding the first Trading Day of the Averaging Period is entitled to receive, plus
- (4) a distribution equal to the sum of, for each successive day in the Averaging Period that is anticipated on the first day of the Averaging Period to be a Trading Day, the amounts determined in accordance with the following formula:

$$E \times (1 - 0.05n)$$

where:

- E = all dividends and distributions on or in respect of the Reference Shares which a holder of Reference Shares on the applicable day would be entitled to receive, provided that an ex- date that occurs on a day that is not a scheduled Trading Day shall be deemed to have occurred on the next preceding scheduled Trading Day; and
- n = the number of scheduled trading days that have elapsed in the Averaging Period with the first Trading Day of the Averaging Period being counted as zero,

A holder of ZONES is only entitled to receive distributions determined in accordance with clauses (2), (3) or (4) to the extent actually distributed by the Reference Company. Cash amounts paid by a Reference Company on Reference Shares as described in clauses (2), (3) or (4) before the redemption date or the maturity date, as the case may be, shall be paid on the redemption date or the maturity date, as the case may be. All other property distributed, or the cash value of the property, shall be distributed within 20 business days after it is distributed on the Reference Shares.

Upon maturity of the ZONES the Company shall deliver to the Trustee an Officers' Certificate informing the Trustee of the applicable Maturity Amount per ZONES and in the aggregate for all outstanding ZONES and its calculation thereof and directing the Trustee to adjust its records and to request DTC to adjust its records.

Exchange Option

Holders of the ZONES may at any time exchange a ZONES for an amount of cash equal to 95% (the "Early Exchange Ratio") of the Exchange Market Value of the Reference Shares attributable to one ZONES. The Company will pay a holder the amount due upon exchange as soon as reasonably practicable after a holder delivers an exchange notice to the Trustee, but in no event earlier than three Trading Days after the date of such notice or later than ten Trading Days after the date of such notice.

"Exchange Market Value" means the Closing Price on the Trading Day following the date a holder of ZONES delivers an exchange notice to the Trustee, unless more than 500,000 ZONES have been delivered for exchange on such date. If more than 500,000 ZONES have been delivered for exchange, then the Exchange Market Value shall be the average Closing Price on the five Trading Days following such date. If more than 500,000 ZONES are delivered for exchange on any one day, the Company shall give notice of that fact by issuing a press release prior to 9:00 a.m. New York City time on the next Trading Day, by providing notice to DTC for dissemination through the DTC broadcast facility and by providing notice to the Trustee. The Company's failure to provide these notices, however, will not affect the determination of Exchange Market Value as described above.

If the ZONES are held through DTC, a holder of ZONES may exercise such right through the relevant direct participant in DTC through the DTC ATOP system by delivering an agent's message and delivering the holder's ZONES to the Trustee's DTC participant account. If the ZONES are held in certificated form, a holder may exercise such right of exchange as follows: the holder shall (i) complete and manually sign an exchange notice in the form available from the Trustee and deliver such notice to the Trustee at the office maintained by the Trustee for such purpose, (ii) surrender the Debentures to the Trustee, (iii) if required, furnish appropriate endorsements and transfer documents, and (iv) if required, pay all transfer or similar taxes.

By 12:00 noon New York City time on each Business Day following receipt by the Trustee of notification from DTC that they have received an agent's message from a DTC participant electing to exercise their Exchange Option with respect to their ZONES and delivery of such ZONES into the Trustee's DTC participant account or following receipt of a complete manually signed exchange notice and receipt of Debentures from a holder, the Trustee shall notify the Company of the amount of ZONES which were tendered. The Company shall deliver an Officers' Certificate to the Trustee setting forth the exact amount to be paid to the tendering holder and shall deposit such amount with the Trustee. Upon receipt of such payment from the Company, the Trustee shall pay DTC, as soon as practicable or in the case of ZONES that are held in certificated form, as directed by the tendering holder.

Pursuant to the Indenture, the date on which all of the foregoing requirements have been satisfied is the redemption date with respect to the Debentures delivered for exchange.

Redemption

The Company may redeem the Debentures in whole but not in part at a redemption price per ZONES (the "Redemption Amount") equal to the sum of (a) the higher of the Contingent Principal Amount per ZONES or the sum of the Current Market Value of the Reference Shares attributable to a ZONES plus any deferred quarterly payments of interest, plus, in either case, the Final Period Distribution and (b) \$3.6735 if the Company redeems the ZONES prior to November 15, 2000, \$2.4490 if the Company redeems the ZONES prior to November 15, 2001, \$1.2245 if the Company redeems the ZONES prior to November 15, 2002, or zero if the Company redeems the ZONES any time on or after November 15, 2002.

The "Current Market Value" (other than in the case of a Rollover Offering, as defined below) is defined as the average Closing Price per Reference Share on the twenty Trading Days (the "Averaging Period") immediately prior to (but not including) the fifth Business Day preceding the redemption date; provided, however, that for purposes of determining the payment required upon a redemption in connection with a Rollover Offering, "Current Market Value" means the Closing Price per Reference Share on the Trading Day immediately preceding the date that the Rollover Offering is priced (the "Pricing Date") or, if the Rollover Offering is priced after 4:00 p.m., New York City Time, on the Pricing Date, the Closing Price per share on the Pricing Date, except that if there is not a Trading Day immediately preceding the Pricing Date or (where pricing occurs after 4:00 p.m., New York City Time, on the Pricing Date) if the Pricing Date is not a Trading Day, "Current Market Value" means the market value per Reference Share as of the redemption date as determined by a nationally recognized independent investment banking firm retained by the Company. "Rollover Offering" means an offering or refinancing of the ZONES or sale of the Reference Shares effected not earlier than November 15, 2002 by means of a completed public offering or offerings (which may include one or more exchange offers) by the Company. The Trustee will notify holders of any election to redeem such holder's ZONES in connection with a Rollover Offering not less than 30 Business Days nor more than 60 Business Days prior to the redemption date.

The "Closing Price" of any security on any date of determination means the closing sale price (or, if no Closing Price is reported, the last reported sale price) of such security (regular way) on the NYSE on such date or, if such security is not listed for trading on the NYSE on any such date, as reported in the composite transactions for the principal United States securities exchange on which such security is so listed, or if such security is not so listed on a United States national or regional securities exchange, as reported by the Nasdaq National Market, or if such security is not so reported, the last quoted bid price for such security in the over-the-counter market as reported by the National Quotation Bureau or similar organization. In the event that no such quotation is available for any day, the Board of Directors shall be entitled to determine the

Closing Price on the basis of such quotations as it considers appropriate. To the extent that trading of Reference Shares regular way continues past 4:00 p.m., New York City time, "Closing Price" shall be deemed to refer to the price at the time that is then customary for determining the Trading Day's index levels for stocks traded on the primary national securities exchange or automated quotation system on which the Reference Shares are then traded or quoted. All references to 4:00 p.m., New York City time, in the definition of "Current Market Value" shall thereafter be deemed to refer to the then customary determination time.

A "Trading Day" is defined as a day on which the security, the Closing Price of which is being determined, (a) is not suspended from trading on any national or regional securities exchange or association or over-the-counter market at the close of business and (b) has traded at least once on the national or regional securities exchange or association or over-the-counter market that is the primary market for the trading of such security.

In addition, if at any time on or prior to January 30, 2000, a "Tax Event" (as defined below) shall occur and be continuing, the Company shall have the right exercisable within 180 days after such "Tax Event", upon not less than 15 Business Days notice, to redeem the ZONES, in whole, at a redemption price equal to the higher of the Contingent Principal Amount of the ZONES or the sum of the Current Market Value of the Reference Shares, determined by reference to an Averaging Period of 5 rather than 20 Trading Days, plus, in either case, the Final Period Distribution (computed by accounting for the 5-day Averaging Period) plus any deferred quarterly payments of interest. For purposes of the definition of "Final Period Distribution", the formula in clause (4) thereof shall be as follows: $E \times (1 - 0.2n)$.

A "Tax Event" means that the Trustee shall have received an opinion of nationally recognized independent tax counsel experienced in such matters to the effect that as a result of (a) any amendment to, clarification of, or change (including any announced prospective change) in the laws, or any regulations thereunder, of the United States or any political subdivision or taxing authority thereof or therein, or (b) any judicial decision, official administrative pronouncement, ruling, regulatory procedure, notice or announcement, including any notice or announcement of intent to adopt such procedures or regulations, in each case, on or after the date of the Prospectus Supplement (a "Change in Tax Law"), there is the creation by such Change in Tax Law of a substantial risk that, as a result of entrance into the ZONES, the Company will be treated for purposes of Section 1259 of the Internal Revenue Code as having constructively sold some or all of its Sprint Corporation PCS common stock.

In case of any redemption, the Company shall give 33 Business Days notice to the Trustee (other than in the case of a redemption pursuant to a Tax Event) (unless such shorter period shall be satisfactory to the Trustee) together with an Officers' Certificate setting forth on a per ZONES and an aggregate basis, the Redemption Amount, and the Contingent Principal Amount, Current Market Value of the Reference Shares, deferred quarterly interest payments and the Final Period Distribution. The Company shall give holders 30 Business Days notice before any redemption of ZONES (in the case of redemption not pursuant to a "tax event") and will irrevocably deposit with the Trustee sufficient funds to pay the Redemption Amount for the ZONES. Distributions to be paid on or before the redemption date for the ZONES will be payable to the holders on the record dates for the related dates of distribution, except to the extent such distributions are payable as part of the Final Period Distribution.

Once notice of redemption is given and funds are irrevocably deposited, interest on the ZONES will cease to accrue on and after the date of redemption and all rights of the holders of the ZONES called for redemption will cease, except for the right of holders to receive the Redemption Amount (but without interest on such Redemption Amount), including, if applicable, the Final Period Distribution.

If any redemption date is not a Business Day, then the Redemption Amount will be payable on the next Business Day (and without any interest or other payment in respect of any such delay). However, if the next Business Day is in the next calendar year, the Redemption Amount will be payable on the preceding Business Day. If payment of the Redemption Amount for any ZONES called for redemption is improperly withheld or refused and not paid by the Company, interest on the ZONES will continue to accrue at an annual rate of 2.0% from the original redemption date scheduled to the actual date of payment. In such a case, the actual payment date will be the redemption date for purposes of calculating the Redemption Amount. The Final Period Distribution will be deemed paid on the original redemption date scheduled to the extent paid as set forth in the definition of "Final Period Distribution" above.

Reference Share Adjustments

For purposes hereof "Reference Company" means Sprint Corporation, a Kansas corporation, and any other issuer of a Reference Share. A "Reference Share" means, collectively (a) one share of Sprint Corporation PCS common stock and (b) each share of publicly traded equity securities received by a holder of a Reference Share in respect of such share of the Sprint Corporation PCS common stock or other Reference Shares (either directly or as the result of successive applications of this paragraph) upon the following events: (i) the distribution on or in respect of a Reference Share in Reference Shares, (ii) the combination of Reference Shares into a smaller number of shares or other units, (iii) the subdivision of outstanding shares or other units of Reference Shares, (iv) the conversion or reclassification of Reference Shares by issuance or exchange of other securities, (v) any consolidation or merger of a Reference Company, or any surviving entity or subsequent surviving entity of a Reference Company (a "Reference Company Successor"), with or into another entity (other than a merger or consolidation in which the Reference Company is the continuing corporation and in which the Reference Company common stock outstanding immediately prior to the merger or consolidation is not exchanged for cash, securities or other property of the Reference Company or another corporation), (vi) any statutory exchange of securities of the Reference Company or any Reference Company Successor with another corporation (other than in connection with a merger or acquisition and other than a statutory exchange of securities in which the Reference Company is the continuing corporation and in which the Reference Company common stock outstanding immediately prior to the statutory exchange is not exchanged for cash, securities or other property of the Reference Company or another corporation), and (vii) any liquidation, dissolution or winding up of the Reference Company or any Reference Company Successor.

For purposes of the foregoing: (a) a conversion or redemption by Sprint Corporation of all shares of Sprint Corporation PCS common stock pursuant to Article Sixth, Section 7.1 of its Articles of Incorporation shall be deemed a consolidation or merger, with the Sprint PCS Group deemed to be the Reference Company, with Sprint Corporation deemed to be the Reference Company Successor if Sprint Corporation FON common stock or any other common stock of Sprint Corporation is issued in exchange for the Sprint Corporation PCS common stock or with the relevant acquiror of the Sprint PCS Group assets deemed to be the Reference Company Successor if common stock other than Sprint Corporation FON common stock is issued in exchange for the Sprint Corporation PCS common stock and (b) a redemption by Sprint Corporation pursuant to Article Sixth, Section 7.2 of its Articles of Incorporation of all of the outstanding shares of Sprint Corporation PCS common stock in exchange for common stock of one or more wholly-owned subsidiaries that collectively hold all of the assets and liabilities attributed to its PCS Group shall be deemed an exchange of shares of Sprint Corporation PCS common stock for shares of common stock of the relevant subsidiary or subsidiaries.

As described above under "Interest and Additional Interest," the Company shall pay as Additional Interest to holders of the Debentures any property received in distribution on or in

respect of a Reference Share, unless it is also a Reference Share, in which case it shall become part of a Reference Share. Upon any distribution of fractional shares or units of securities, other than fractional Reference Shares, the Company shall pay the holders cash in lieu of distribution of such fractional shares or other units.

A "Reference Share Offer" means any tender offer or exchange offer made for all or a portion of a class of Reference Shares of a Reference Company. A "Reference Share Offer" shall include a conversion or redemption by Sprint Corporation of less than all shares of Sprint Corporation PCS common stock pursuant to Article Sixth, Section 7.1 of its Articles of Incorporation.

If a Reference Share Offer is made, the Company may, at its option, either: (a) during the pendency of the offer, increase the Early Exchange Ratio to 100%; or (b) make a Reference Share Offer Adjustment.

A "Reference Share Offer Adjustment" means including as part of a Reference Share each share of publicly traded equity securities, if any, deemed to be distributed on or in respect of a Reference Share as average transaction consideration less the Reference Share Proportionate Reduction (as defined below).

The average transaction consideration deemed to be received by a holder of one Reference Share in a Reference Share Offer will be equal to (a) the aggregate consideration actually paid or distributed to all holders of Reference Shares in the Reference Share Offer, divided by (b) the total number of Reference Shares outstanding immediately prior to the expiration of the Reference Share Offer and entitled to participate in that Reference Share Offer.

The "Reference Share Proportionate Reduction" means a proportionate reduction in the number of Reference Shares which are the subject of the applicable Reference Share Offer and attributable to one ZONES calculated in accordance with the following formula:

$$R = \frac{X}{N}$$

where:

- R= the fraction by which the number of Reference Shares of the class of Reference Shares subject to the Reference Share Offer and attributable to one ZONES will be reduced
- X= the aggregate number of Reference Shares of the class of Reference Shares subject to the Reference Share Offer accepted in the Reference Share Offer
- N= the aggregate number of Reference Shares of the class of Reference Shares subject to the Reference Share Offer outstanding immediately prior to the expiration of the Reference Share Offer.

If the Company elects to make a Reference Share Offer Adjustment, it shall distribute as Additional Interest on each ZONES the average transaction consideration deemed to be received on the Reference Shares of the class subject to the Reference Share Offer and attributable to each ZONES immediately prior to giving effect to the Reference Share Proportionate Reduction relating to that Reference Share Offer (other than average transaction consideration that is publicly traded equity securities which will themselves become Reference Shares as a result of a Reference Share Offer Adjustment.)

If the Company elects to make a Reference Share Offer Adjustment and, during the pendency of the Reference Share Offer another Reference Share Offer is commenced in relation to the Reference Shares the subject of the then existing Reference Share Offer, the Company may change its original election by electing to increase the Early Exchange Ratio to 100% during the pendency of the new Reference Share Offer, or it may continue to elect to make a Reference Share Offer Adjustment. The Company shall similarly be entitled to change its election for each further Reference Share Offer made during the pendency of any Reference Share Offer for the same class of Reference Shares. For the purposes of these adjustments, a material change to the terms of an existing Reference Share Offer shall be deemed to be a new Reference Share Offer.

If the Company elects to increase the Early Exchange Ratio to 100% in connection with a Reference Share Offer, no Reference Share Offer Adjustment shall be made and the Company cannot change its election if any further Reference Share Offer is made.

Events of Default

In case an Event of Default, as defined in the Indenture, shall occur and be continuing, the Maturity Amount of all ZONES then outstanding under the Indenture may be declared, or may become, due and payable upon the conditions and in the manner and with the effect provided in the Indenture.

Amount Payable upon Bankruptcy

Upon dissolution, winding-up, liquidation or reorganization, whether voluntary or involuntary or in bankruptcy, insolvency, receivership or other similar proceedings in respect of the Company, holders of the ZONES should be entitled to a claim against the Company in an amount equal to the higher of (a) the Contingent Principal Amount of the ZONES or (b) the sum of the Current Market Value (without giving effect to the provisions relating to Rollover Offerings) of the Reference Shares plus any deferred quarterly payments of interest, plus, in either case, the Final Period Distribution.

Calculations in Respect of the ZONES

The Company will be responsible for making all calculations called for under the ZONES. These calculations include, but are not limited to, determination of the Contingent Principal Amount of the ZONES; the Current Market Value of Reference Shares; the Exchange Market Value of Reference Shares; the Final Period Distribution on the ZONES; the cash value of any property distributed on the Reference Shares; the composition of a Reference Share; and the amount of accrued interest payable upon redemption or at maturity of the ZONES.

The Company must make all these calculations in good faith and such calculations are final and binding on holders of the ZONES, absent manifest error. The Company will provide a schedule of its calculations to the Trustee and the Trustee is entitled to rely upon the accuracy of such calculations, without independent verification. The Trustee shall be entitled to conclusively rely on the accuracy of the information and calculations contained in each Officers' Certificate delivered under this Debenture and shall have no responsibility for verifying the accuracy thereof.

Modifications

To the extent permitted by, and as provided in the Indenture, modifications or alterations of the Indenture, or of any indenture supplemental thereto, and of the rights and obligations of the Company and of the holders of the Securities, may be made by the Company with the consent of the holders of not less than a majority of the principal amount (for the purposes of the ZONES, the

principal amount of the ZONES for consenting holders and all holders shall be calculated by reference to the original principal amount of such ZONES) of the Securities then Outstanding of each series affected thereby; provided, however, that no such modification or alteration shall (i) change the stated maturity of the Principal of, or any sinking fund obligation or any installment of interest on, such holder's Security; (ii) reduce the Principal thereof or the rate of interest thereon, or any premium payable with respect thereto; (iii) change any place of payment where, or the currency in which, any Security or any premium or the interest thereon is payable; (iv) change the provisions for calculating the optional redemption price, including the definitions relating thereto; (v) make any change to Section 4.07 or 4.10 (except to include other provisions subject to Section 4.10); (vi) reduce the percentage in principal amount of outstanding Securities of the relevant series the consent of whose holders is required for any such supplemental indenture, for any waiver of compliance with any provisions of this Indenture or any Defaults and their consequences provided for in this Indenture; (vii) alter or impair the right to convert any Security at the rate and upon the terms provided in Article 13; (viii) waive a default in the payment of Principal of or interest on any Security of such holder (except pursuant to a rescission of acceleration pursuant to Section 4.01); (ix) adversely affect the rights of such holder under any mandatory redemption or repurchase provision or any right of redemption or repurchase at the option of such holder; (x) modify any of the provisions of this Section 7.02, except to increase any such percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the holder of each outstanding Security affected thereby; or (xi) change or waive any provision that, pursuant to a board resolution or indenture supplemental hereto establishing the terms of one or more series of Securities, is prohibited to be so changed or waived.

It is also provided in the Indenture that the holders of a majority in aggregate principal amount (the principal amount of the ZONES for consenting holders and all holders shall be calculated by reference to the original principal amount of such ZONES) of the ZONES then Outstanding may on behalf of the holders of all the ZONES under circumstances specified in the Indenture, waive a past Event of Default under the Indenture and its consequences, except a default in the payment of Principal of or interest on the ZONES. Any such consent or waiver by the holder of this Debenture shall be conclusive and binding upon such holder and upon all future holders of this Debenture and of any Debenture or Debentures issued in exchange or substitution herefor, irrespective of whether or not any notation of such consent or waiver is made in this Debenture.

Miscellaneous

Except with respect to the rights of the holders of Senior Indebtedness set forth in this Debenture and in the Indenture, no reference herein to the Indenture and no provision of this Debenture or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of, premium, if any, or interest on this Debenture at the place, at the respective times, at the rate, and in the coin or currency herein prescribed.

The Indenture permits both covenant defeasance and legal defeasance of the ZONES pursuant to Article 9 of the Indenture.

The Indenture contains provisions setting forth certain conditions to the institution of proceedings by holders of the ZONES with respect to this Debenture and the Indenture and the enforcement of remedies under this Debenture and the Indenture, including, without limitation, the appointment of a receiver or trustee. However, no reference herein to the Indenture and no provision of this Debenture or the Indenture shall impair or affect the right of any holder of any Debenture to receive payment of the principal of, premium, if any, and interest on such Debenture on or after the respective dates expressed in this Debenture, or to institute suit for the enforcement

of any such payment on or after such respective dates and any such right or such enforcement thereof shall not require the consent of any other such holder.

The transfer of this Debenture is registrable by the registered holder hereof, in person or by his attorney duly authorized in writing, on the books of the Company to be kept for that purpose at the office or agency of the Company in New York, New York, upon surrender and cancellation of this Debenture and upon presentation of a duly executed written instrument of transfer, and thereupon a new Debenture or Debentures of authorized denominations for the same aggregate principal amount will be issued to the transferee or transferees in exchange herefor; and this Debenture may be in like manner exchanged for one or more Debentures of other authorized denominations but of the same aggregate principal amount, all in the manner and subject to the conditions in the Indenture contained and without payment of any service or other charge, except for any stamp or other tax or governmental charge in connection therewith. Prior to due presentment of this Debenture for registration or transfer, the Company, the Trustee, any paying agent and any Debenture registrar may deem and treat the person in whose name this Debenture is registered as the absolute owner hereof for the purpose of receiving payment hereof or on account hereof or of interest hereon (subject to the provisions of the first paragraph on the face hereof) and for all other purposes.

No recourse shall be had for the payment of Principal of or interest on this Debenture or for any claim based hereon or otherwise in any manner in respect hereof, or in respect of the Indenture, against any subsidiary, incorporator, stockholder, officer, director or employee, as such past, present or future, of the Company or any subsidiary, incorporator, stockholder, officer, director or employee, as such, past, present or future, of any predecessor or successor corporation, whether by virtue of any constitutional provision or statute or rule of law, or by the enforcement of any assessment or penalty or in any other manner, all such liability being expressly waived and released by the acceptance hereof and as part of the consideration for the issue hereof.

The Indenture and this Debenture shall be deemed to be a contract made under the laws of the State of New York, and for all purposes shall be construed in accordance with the laws of said jurisdiction, except that the rights, duties, obligations, immunities and limitations of rights of the Trustee pursuant to the Indenture and the Debenture shall be governed by and construed in accordance with the laws of the State of New York.

All capitalized terms used in this Debenture and not otherwise defined herein shall have the meanings ascribed to them in the Indenture.

The following abbreviations, when used in the inscription on the face of this Debenture, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	- as tenants in common	UNIF GIFT MIN ACT-.....Custodian.....
TEN ENT	- as tenants by the entireties	(Cust) (Minor)
JT TEN	- as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors Act_____
		(State)

Additional abbreviations may also be used though not in the above list.

For Value Received, _____ hereby sell(s), assign(s) and transfer(s) unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

: :
: :

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE, OF ASSIGNEE)

the within Debenture and all rights thereunder, irrevocably constituting and appointing

-----Attorney
to transfer said Debenture on the books of the within named Company with full power of substitution in the premises.

Dated: _____

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATEVER.