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July 2, 2002

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ex Parte Notice

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Re: Applications for Consent to the Transfer of Control of Licenses from Comcast Corporation and AT&T Corp., Transferors, to AT&T Comcast Corporation, Transferee, MB Docket No. 02-70

Dear Ms. Dortch:

On July 1, representatives of Comcast Corporation ("Comcast") and AT&T Corp. ("AT&T") met with W. Kenneth Ferree and William H. Johnson, Chief and Deputy Chief, respectively, of the Media Bureau; Royce Sherlock and Roger Holberg, Chief and Assistant Division Chief, respectively, of the Bureau's Industry Analysis Division; James R. Bird, Senior Counsel to the General Counsel, and Neil A. Dellar, Attorney Advisor in the Office of General Counsel; and Susan M. Eid, Media Advisor to Chairman Powell. Comcast was represented by Arthur R. Block, Senior Vice President and General Counsel, James R. Coltharp, Senior Director, Public Policy, and the undersigned. AT&T was represented by Betsy Brady, Federal Government Affairs Vice President, and Michael H. Hammer, Willkie Farr & Gallagher, outside counsel to AT&T.

Mr. Block affirmed Comcast's desire that AT&T's limited partnership interest in Time Warner Entertainment ("TWE") be divested as soon as possible, consistent with realization of the asset's market value.

Noting that AT&T and Comcast had stated in their merger application that, if divestiture could not be effectuated prior to closing, the Applicants would insulate the interest and take such additional steps, if any, as may be appropriate to ensure that AT&T Comcast would not be able to influence the operation or management of TWE prior to its ultimate sale, Mr. Block advised the Bureau officials that AT&T and Comcast are willing not only to insulate the interest in TWE but also to place AT&T's interest in TWE into an irrevocable trust. Both events would occur prior to closing on the merger transaction.

Under this proposal, for an appropriate initial period, the Trustee's main responsibility would be to pursue the contractual registration rights process under the TWE partnership

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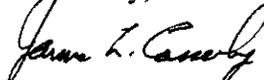
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agreement, with the goal of obtaining the most favorable price consistent with concluding the sale of the TWE interest within a reasonable period. The initial period could be extended if a substantial portion of the TWE interest has been divested prior to the end of the initial period. If, prior to the sale through the registration rights process, the grantor of the trust (AT&T Comcast) proposes an alternative means of divesting the TWE interest, *e.g.*, a sale to third parties for cash or other consideration, the trustee would be required to effectuate that alternative transaction. At the end of an initial period, the trustee would be directed to dispose of the TWE interest in any manner he or she chooses.

Mr. Block noted that this approach would provide additional assurances to the Commission that the Applicants are serious about selling AT&T's interest in TWE and that there is no basis for concerns about potentially anticompetitive conduct in the interim.

Pursuant to section 1.1206(b)(2) of the Commission's rules, an original and one copy of this letter are being filed with the Office of the Secretary. Copies of this letter are also being sent to Messrs. Ferree, Johnson, Holberg, Bird, and Dellar, and Ms. Sherlock and Ms. Eid. Please let me know if you have any questions.

Sincerely,



James L. Casserly

cc: W. Kenneth Ferree
William H. Johnson
Royce Sherlock
Roger Holberg
James R. Bird
Neil A. Dellar
Susan M. Eid