Davis Wright Tremaine LLP

Suite 200
1919 Pennsylvania Avenue NW
Washington, DC 20006-3402

Brian Nixon
202.973.4247 tel
202.973.4499 fax

briannixon@dwt.com

October 13, 2009

VIA E-FILE

Patricia Van Gerpen
Executive Director
South Dakota Public Utilities Commission
Capitol Building, 1st Floor
500 E. Capitol Ave.
Pierre, South Dakota 57501-5070

Re: Application of Comcast Phone of South Dakota, LLC for a Certificate of Public Convenience and Necessity to Provide Resold Interexchange Services

Dear Ms. Van Gerpen:

Enclosed please find an electronic copy of the Application for a Certificate of Public Convenience and Necessity to Provide Resold Interexchange Services throughout the state of South Dakota submitted on behalf of Comcast Phone of South Dakota, LLC.

Very truly yours,

Davis Wright Tremaine LLP

Brian A. Nixon

Enclosures

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

Application of Comcast Phone of South Dakota, LLC For a Certificate of Public Convenience and Necessity to Provide Resold Interexchange Services throughout the State of South Dakota	**Docket No.** ____________

APPLICATION FOR AUTHORIZATION

Application is hereby made to the Public Utilities Commission of the State of South Dakota ("Commission") for a certificate authorizing Comcast Phone of South Dakota, LLC d/b/a Comcast Digital Phone ("Applicant" or "Comcast Phone") to operate as a resold interexchange carrier of telecommunications services pursuant to South Dakota Codified Laws § 49-31-3, and Section 20:10:24:02 of the South Dakota Administrative Code. The following general information and exhibits are furnished in support thereof:

1. **Applicant's name, address, telephone & fax number, and web page URL**

Comcast Phone of South Dakota, LLC
One Comcast Center
Philadelphia, PA, 19103-2838
Tel: (215) 286-7893*
Fax: (215) 286-5039
Email: beth_choroser@comcast.com
Web: www.comcast.com

* This the direct line of Beth Choroser, Executive Directory of Regulatory Compliance.

2. **Applicant's Federal Tax ID**

Comcast Phone's federal tax identification number is 27-0978102.

3. **Applicant Information**

(a) Comcast Phone, a Delaware limited liability company with its principal place of business at One Comcast Center, Philadelphia, Pennsylvania, 19103-2838, is a wholly-owned indirect subsidiary of Comcast Corporation. A copy of Comcast Phone's certificate of authority to transact business in South Dakota as a foreign LLC, issued by the Secretary of State, is attached hereto as **Exhibit A**.

(b) Comcast Corporation (NASDAQ: CMCSA, CMCSK) ("Comcast Corp.") is a Pennsylvania corporation with a principal business address of One Comcast Center, Philadelphia, Pennsylvania, 19103-2838. Comcast Corp. is principally involved in the development, management and operation of broadband and communication networks and programming content. Various operating subsidiaries of Comcast Corp. are duly authorized to provide interstate and intrastate telecommunications services to residential and business customers in 37 states and the District of Columbia.

4. Designated Contacts

(a) Correspondence or other communications concerning this Application should be directed to the following representatives in this proceeding:

Michael C. Sloan
Brian A. Nixon
Davis Wright Tremaine LLP
1919 Pennsylvania Avenue, N.W.
Suite 200
Washington, DC 20006
Tel: (202) 973-4200
Fax: (202) 973-4299
Email: michaelsloan@dwt.com
briannixon@dwt.com

(b) All complaints should be directed to:

Customer Service Department
Comcast Phone of South Dakota, LLC
One Comcast Center
Philadelphia, PA, 19103-2838
Tel: 1 (877) 691-8080

(c) Inquires regarding regulatory matters should be directed to:

Beth Choroser
Executive Director of Regulatory Compliance

One Comcast Center
Philadelphia, PA 19103-2838
Tel: (215) 286-7893
Email: beth_choroser@comcast.com

(d) The name and address of Comcast Phone's registered agent in South Dakota is:

CT Corporation System
319 S. Coteau Street
Pierre, SD 57501 (Hughes Co.)

5. Description of Services

(a) Comcast Phone proposes to offer switched and dedicated access and "1+" long distance telecommunications services suitable for voice and limited data applications in the state of South Dakota. The Applicant does not propose to provide alternative operator services nor require advanced payments or deposits.

(b) Comcast Phone seeks authority to be a facilities and non-facilities-based interexchange carrier providing switched and dedicated interexchange telecommunications services to businesses and residences. Therefore, Comcast Phone may offer services provided by other registered interexchange carriers and in such cases, Comcast Phone will be solely dependent on the technical capabilities of its underlying carriers.

6. Tariff

A proposed interexchange tariff describing the services to be offered by Comcast Phone and which contains proposed rates, tolls, rentals, charges, classification, rules, and regulations is attached hereto as **Exhibit D**. Billing and collection terms are set forth in Comcast Phone's proposed tariff.

7. Customer Notice

Comcast Phone will notify customers at least thirty (30) days in advance of any materially adverse change to any rate, term, or condition of any telecommunications service being provided to the customer.

8. Qualifications

Comcast Phone has the requisite financial, managerial and technical resources to provide the services that it is proposing to offer within the State of South Dakota. Comcast Phone relies on the financial resources of its ultimate corporate parent, Comcast Corp. Thus, to demonstrate its financial ability to provide the proposed services, Comcast Phone hereby provides Comcast Corp.'s most recent SEC Form 10-K, as shown in **Exhibit B.**

Comcast Phone is operated by a highly qualified management team, all of whom have extensive backgrounds in the operation and management of telecommunications services. As clearly demonstrated by the biographies attached hereto as **Exhibit C**, members of Comcast Phone's senior management team have significant experience in the critical functions of communications network operations, OSS/BSS, product development, sales and marketing, business management and finance. These individuals have acquired superior expertise by their work in various segments of the communications industry prior to assuming their current managerial roles at Comcast Phone, and are highly qualified to manage the operations of Comcast Phone within the State of South Dakota.

9. Designation of Service Territory

Comcast Phone seeks authority to provide services throughout the entire state of South Dakota. Therefore, Comcast Phone requests a waiver, pursuant to ARSD 20:10:24:02(19), of the

Commission Rule requiring it to attach a service area map or narrative description indicating with particularity the geographic area it intends to serve.

10. Other Jurisdictions Where Applicant Is Authorized to Provide Service

Comcast Phone does not provide interexchange telecommunications services in any other state. As noted above, through various affiliates, Comcast Phone's ultimate parent, Comcast Corp., provides intrastate and interstate local exchange and interexchange telecommunications services in 37 states and the District of Columbia, and holds international and domestic interstate telecommunications authority pursuant to the rules and regulations of the Federal Communications Commission ("FCC").

Comcast Phone has never been denied registration or certification in any jurisdiction.

11. Applicant's Marketing Plan

Comcast Phone intends to market its services through various advertising and direct marketing campaigns, its website (www.comcast.com), and independent distributors. Comcast Phone does not, however, have any promotional materials available at this time.

12. Compliance with Anti-Slamming Rules

Comcast Phone will comply with S.D. Admin. R. 20:10:34:02.02 and any other applicable customer migration / anti-slamming requirements. Comcast Phone's policy to adhere to all applicable anti-slamming requirements in connection with the solicitation of new customers is intended to prevent the unauthorized switching of interexchange carriers.

Comcast Phone has not received any complaints from a state or federal regulatory commission regarding the unauthorized switching of customer's telecommunications provider or for the act of charging customers for services that have not been ordered.

13. Public Interest

A grant of this Application will further the public interest and will offer several identifiable benefits to telephone customers in South Dakota. Comcast Phone will provide high-quality service at competitive prices. The introduction of an additional competitor will expand the range of service options available to customers in South Dakota and will spur the provision of lower prices, higher quality, and more innovative and reliable product offerings from Comcast Phone and other carriers. Heightened competition in telecommunications will stimulate economic development in South Dakota and will promote the availability, affordability, and quality of telecommunications services for South Dakota consumers.

14. Conclusion

For the reasons set forth above, Comcast Phone respectfully requests that the Commission grant Comcast Phone the authority and waiver requested above as well as any other relief the Commission deems necessary and appropriate.

Respectfully submitted,

COMCAST PHONE OF SOUTH DAKOTA, LLC

By: ______________________________

Michael C. Sloan
Brian A. Nixon
Davis Wright Tremaine LLP
1919 Pennsylvania Avenue, N.W.
Suite 200
Washington, D.C. 20006
Tel: (202) 973-4200
Fax: (202) 973-4499

Counsel for Comcast Phone of South Dakota, LLC

Dated: October 2, 2009

COMMONWEALTH OF PENNSYLVANIA :

ss.

COUNTY OF PHILADELPHIA :

VERIFICATION

I, Brian A. Rankin, state that I am Vice President, Deputy General Counsel for Comcast Phone of South Dakota, LLC, Applicant in the foregoing Application; that I am authorized to make this Verification on behalf of Comcast Phone of South Dakota, LLC, that the foregoing Application was prepared under my direction and supervision; and that the statements in the foregoing document with respect to Comcast Phone of South Dakota, LLC are true and correct to the best of my knowledge, information, and belief.

Brian A. Rankin
Vice President, Deputy General Counsel
Comcast Phone of South Dakota, LLC

Sworn and subscribed before me this 2nd day of October, 2009.

Lori A. Klumpp
Notary Public

My commission expires: 12/31/2011

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
LORI A. KLUMPP, Notary Public
City of Philadelphia, Phila. County
My Commission Expires December 31, 2011

EXHIBITS

Exhibit A	**Certificate of Authority**
Exhibit B	**SEC Form 10-K of Comcast Corp.**
Exhibit C	**Summary of Experience of Key Personnel**
Exhibit D	**Proposed Tariff**

<u>EXHIBIT A</u>

CERTIFICATE OF AUTHORITY

State of South Dakota

OFFICE OF THE SECRETARY OF STATE

Certificate of Authority
Limited Liability Company

ORGANIZATIONAL ID #: FL004753

I, Chris Nelson, Secretary of State of the State of South Dakota, hereby certify that duplicate of the Application for a Certificate of Authority of **COMCAST PHONE OF SOUTH DAKOTA, LLC (DE)** to transact business in this state duly signed and verified pursuant to the provisions of the South Dakota Limited Liability Company Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I hereby issue this Certificate of Authority and attach hereto a duplicate of the application for certificate of authority.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital, this September 17, 2009.

Chris Nelson

Chris Nelson
Secretary of State

CertAuthLLC Merge

Secretary of State Office
500 E Capitol Ave
Pierre, SD 57501
(605)773-4845

APPLICATION FOR CERTIFICATE OF AUTHORITY
FOREIGN LIMITED LIABILITY COMPANY

Please Type or Print Clearly in Ink

Please submit one **Original** and one **Photocopy**

FILING FEE: $750 payable to SECRETARY OF STATE

RECEIVED
SEP 17 2009
S.D. SEC. OF STATE

Filed this 17th day of Sept, 2009
Chris Nelson
SECRETARY OF STATE

Telephone # ____________

FAX # ____________

Application must be accompanied by a one page original certificate of existence issued by the Secretary of State or other official having custody of the organizational records in the state or country under whose law it is organized.

1. The name of the company is Comcast Phone of South Dakota, LLC

The name must include limited liability company, limited company or the abbreviation L.L.C., LLC, L.C. or LC. Limited may be abbreviated as Ltd. and company may be abbreviated as Co.

2. The name of the state or country under whose laws it is organized is Delaware

3. The period of its duration perpetual

4. The address of its principal office (this is the address of the executive offices of the corporation).

Street Address	City	State	ZIP+4
1701 John F. Kennedy Boulevard	Philadelphia	PA	19103-2838

Mailing Address (Optional)	City	State	ZIP+4

5. The South Dakota Registered Agent name C T Corporation System

Street Address (Required to be a South Dakota Address)	City	State	ZIP+4
319 S. Coteau Street	Pierre	SD	57501

Mailing Address (Optional – Required to be a South Dakota Address)	City	State	ZIP+4

When listing a Commercial Registered Agent, please state their CRA #. This number can be obtained from the Commercial Registered Agent.	CR000002

6. Please check one:

[X] The company is member managed.

[ ] The company is manager managed.

If this company is manager managed, please state the name and address of each manager.

Manager	Street Address	City	State	ZIP+4

7. Whether one or more of the members of the company are to be liable for its debts and obligations under a provision similar to SDCL 47-34A-303 (c)

The application must be signed by a Manager so stated in question number 6 or a Member if the company is member managed.

Dated September 14, 2009

(Signature of an authorized member or manager)

Arthur R. Block
(Printed Name)

Sr. Vice President of Sole Member
(Title)

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "COMCAST PHONE OF SOUTH DAKOTA, LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE SIXTEENTH DAY OF SEPTEMBER, A.D. 2009.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "COMCAST PHONE OF SOUTH DAKOTA, LLC" WAS FORMED ON THE TENTH DAY OF SEPTEMBER, A.D. 2009.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE NOT BEEN ASSESSED TO DATE.

Jeffrey W. Bullock, Secretary of State

4729248 8300

AUTHENTICATION: 7528777

090858369

DATE: 09-16-09

You may verify this certificate online at corp.delaware.gov/authver.shtml

SECRETARY OF STATE

State Capitol, Suite 204
500 East Capitol Avenue
Pierre, South Dakota
57501-5070
sdsos@state.sd.us
www.sdsos.gov

Chris Nelson
Secretary of State

Teresa J. Bray
Deputy

To: CSC - TRENTON
MELISSA KOSTRZEWSKI

830 BEAR TAVERN ROAD
SUITE 305
WEST TRENTON NJ 8628

From: Secretary of State Chris Nelson
Corporations Division

Date: September 17, 2009

Re: COMCAST PHONE OF SOUTH DAKOTA, LLC (DE)

The documents on behalf of the **COMCAST PHONE OF SOUTH DAKOTA, LLC (DE)** Limited Liability Company have been received and filed. Enclosed is the Certificate attached to the duplicate application along with a receipt for the filing fee of $750.00.

South Dakota law requires the filing of an annual report each year with our office between the anniversary date of filing and prior to the first day of the second month following. The annual report form will be mailed to the registered agent address listed on the articles of organization or the corporate address stated on the application for certificate of authority.

The law also requires that a registered agent be continuously maintained in this state. If your registered agent or agent's address changes you **must** file a Statement of Change which is available at http://www.sdsos.gov or by calling this office.

If this office can be of any assistance in the future, please feel free to contact us.

Thank you.

Memo4

SOUTH DAKOTA SECRETARY OF STATE

OFFICIAL RECEIPT

NUMBER 1949860

DATE 09/17/2009
AMOUNT $ 800.00
BY STMAHEI

FORM OF PAYMENT CHECK
CHECK NBR 1300071426

CSC
SUITE 305
830 BEAR TAVERN ROAD
WEST TRENTON NJ 08628

THIS RECEIPT IS IN REFERENCE TO:
FL004753 - COMCAST PHONE OF SOUTH DAKOTA, LLC

TRANSACTION DESCRIPTION	AMOUNT
CERTIFICATE OF AUTHORITY FL004753......................$	750.00
EXPEDITED FEE FL004753................................	50.00

Fictitious Business Name Registration Receipt from the Central Filing Systen of the Secretary of State's Office.

The described business hereby certifies that they will engage in, conduct, or operate a business for profit under the fictitious name of:

Comcast Digital Phone

Owner Name	Residence Address	Post Office Address
Comcast Phone of South Dakota, LLC	1701 J.F. Kennedy Boulevard Philadelphia Pennsylvania 19103-2838	

That the address where the main office of such business is to be maintained is:
1701 J.F. Kennedy Boulevard Philadelphia Pennsylvania 19103-2838

Receipt Number: 28082
Original Registration Date: 9/21/2009
Filed By: Arthur R. Block, Sr. Vice President of Sole Member
Amount Paid: $10.00

Finished | Print This Page for Confirmation and Details

Amendment: An amendment should be filed when some substantive item about the business changes such as change in ownership, business name change, address change, etc. When an amendment is done it automatically renews the business registration information and extends the expiration date by making it 5 years from the amendment date.

Renewal: A renewal needs to be filed every 5 years if no amendments are made to the business.

Certificate as to Use in a Business of a Trade, Assumed, or Fictitious Name

The undersigned hereby certif ies *that* ___ *he* it *will engage in, conduct, or operate a business for profit in the State of South Dakota under the trade, assumed, or fictitious name of* Comcast Digital Phone ___ *; that the name, post office address, and residence address of each person owning or having interest in said business are as follows:*

Name	Post Office Address	Residence Address
Comcast Phone of South Dakota, LLC	1701 J.F.Kennedy Boulevard	
	Philadelphia, PA 19103-2838	

That the address where the main office of such business is to be maintained is 1701 John F. Kennedy Boulevard Philadelphia, PA 19103-2838.

ARB

Arthur R. Block,
Sr. Vice President of Sole Member

State of Pennsylvania)
) *ss.*
County of Philadelphia)

Arthur R. Block

being first duly sworn, each for himself says that he has read the foregoing certificate and knows the contents thereof and that the same is true.

Subscribed and sworn to before me this

14th *day of* September, 2009

Patricia M. McGuire
Notary Public

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
PATRICIA M. MCGUIRE, Notary Public
City of Philadelphia, Phila. County
My Commission Expires November 13, 2010

Prepared by:

Name Margaret Francione *Phone Number (* 215 *)* 286-8345

Address 1701 John F. Kennedy Boulevard *Date* September , 2009

City Philadelphia *State* PA *Zip* 19103

EXHIBIT B

SEC FORM 10-K OF COMCAST CORP.

FORM 10-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

OR

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

FOR THE TRANSITION PERIOD FROM TO

Commission file number 001-32871

comcast.

COMCAST CORPORATION

(Exact name of registrant as specified in its charter)

PENNSYLVANIA	**27-0000798**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
One Comcast Center, Philadelphia, PA	**19103-2838**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (215) 286-1700

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of Each Class	Name of Each Exchange on which Registered
Class A Common Stock, $0.01 par value	Nasdaq Global Select Market
Class A Special Common Stock, $0.01 par value	Nasdaq Global Select Market
2.0% Exchangeable Subordinated Debentures due 2029	New York Stock Exchange
6.625% Notes due 2056	New York Stock Exchange
7.00% Notes due 2055	New York Stock Exchange
7.00% Notes due 2055, Series B	New York Stock Exchange
8.375% Guaranteed Notes due 2013	New York Stock Exchange
9.455% Guaranteed Notes due 2022	New York Stock Exchange

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:

NONE

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendments to this Form 10-K. ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Small reporting company ☐

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

As of June 30, 2008, the aggregate market value of the Class A common stock and Class A Special common stock held by non-affiliates of the Registrant was $39.033 billion and $15.656 billion, respectively.

As of December 31, 2008, there were 2,060,982,734 shares of Class A common stock, 810,211,190 shares of Class A Special common stock and 9,444,375 shares of Class B common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Part III—The Registrant's definitive Proxy Statement for its annual meeting of shareholders presently scheduled to be held in May 2009.

Item 8: Financial Statements and Supplementary Data

Report of Management

Management's Report on Financial Statements

Our management is responsible for the preparation, integrity and fair presentation of information in our consolidated financial statements, including estimates and judgments. The consolidated financial statements presented in this report have been prepared in accordance with accounting principles generally accepted in the United States. Our management believes the consolidated financial statements and other financial information included in this report fairly present, in all material respects, our financial condition, results of operations and cash flows as of and for the periods presented in this report. The consolidated financial statements have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report, which is included herein.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining an adequate system of internal control over financial reporting. Our system of internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States.

Our internal control over financial reporting includes those policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect our transactions and dispositions of our assets.
- Provide reasonable assurance that our transactions are recorded as necessary to permit preparation of our financial statements in accordance with accounting principles generally accepted in the United States, and that our receipts and expenditures are being made only in accordance with authorizations of our management and our directors.
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, a system of internal control over financial reporting can provide only reasonable assurance and may not prevent or detect misstatements. Further, because of changes in conditions, effectiveness of internal controls over financial reporting may vary over time. Our system contains self-monitoring mechanisms, and actions are taken to correct deficiencies as they are identified.

Our management conducted an evaluation of the effectiveness of the system of internal control over financial reporting based on the framework in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, our management concluded that our system of internal control over financial reporting was effective as of December 31, 2008. The effectiveness of our internal controls over financial reporting have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report, which is included herein.

Audit Committee Oversight

The Audit Committee of the Board of Directors, which is comprised solely of independent directors, has oversight responsibility for our financial reporting process and the audits of our consolidated financial statements and internal control over financial reporting. The Audit Committee meets regularly with management and with our internal auditors and independent registered public accounting firm (collectively, the "auditors") to review matters related to the quality and integrity of our financial reporting, internal control over financial reporting (including compliance matters related to our Code of Ethics and Business Conduct), and the nature, extent, and results of internal and external audits. Our auditors have full and free access and report directly to the Audit Committee. The Audit Committee recommended, and the Board of Directors approved, that the audited consolidated financial statements be included in this Form 10-K.

Brian L. Roberts
Chairman and
Chief Executive Officer

Michael J. Angelakis
Executive Vice President and
Chief Financial Officer

Lawrence J. Salva
Senior Vice President,
Chief Accounting Officer
and Controller

Report of Independent Registered Public Accounting Firm

Board of Directors and Stockholders
Comcast Corporation
Philadelphia, Pennsylvania

We have audited the accompanying consolidated balance sheets of Comcast Corporation and subsidiaries (the "Company") as of December 31, 2008 and 2007, and the related consolidated statements of operations, cash flows, stockholders' equity and comprehensive income for each of the three years in the period ended December 31, 2008. We also have audited the Company's internal control over financial reporting as of December 31, 2008, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying *Management's Report on Internal Control Over Financial Reporting*. Our responsibility is to express an opinion on these financial statements and an opinion on the Company's internal control over financial reporting based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Comcast Corporation and subsidiaries as of December 31, 2008 and 2007, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2008, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2008, based on the criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

As discussed in Note 2 to the consolidated financial statements, the Company adopted Statement of Financial Accounting Standards No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities Including an amendment of FASB Statement No. 115," effective January 1, 2008. As discussed in Note 3 to the consolidated financial statements, the Company adopted EITF Issue No. 06-10, "Accounting for Collateral Assignment Split-Dollar Life Insurance Arrangements," effective January 1, 2008. As discussed in Note 2 to the consolidated financial statements, the Company adopted FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes — an Interpretation of FASB Statement 109," effective January 1, 2007.

/s/ Deloitte & Touche LLP
Philadelphia, Pennsylvania
February 20, 2009

Consolidated Balance Sheet

December 31 (in millions, except share data)	2008	2007
Assets		
Current Assets:		
Cash and cash equivalents	**$ 1,195**	$ 963
Investments	**59**	98
Accounts receivable, less allowance for doubtful accounts of $190 and $181	**1,626**	1,645
Deferred income taxes	**292**	214
Other current assets	**544**	747
Total current assets	**3,716**	3,667
Investments	**4,783**	7,963
Property and equipment, net of accumulated depreciation of $23,235 and $19,808	**24,444**	23,624
Franchise rights	**59,449**	58,077
Goodwill	**14,889**	14,705
Other intangible assets, net of accumulated amortization of $8,160 and $6,977	**4,558**	4,739
Other noncurrent assets, net	**1,178**	642
Total assets	**$ 113,017**	$ 113,417
Liabilities and Stockholders' Equity		
Current Liabilities:		
Accounts payable and accrued expenses related to trade creditors	**$ 3,393**	$ 3,336
Accrued salaries and wages	**624**	494
Other current liabilities	**2,644**	2,627
Current portion of long-term debt	**2,278**	1,495
Total current liabilities	**8,939**	7,952
Long-term debt, less current portion	**30,178**	29,828
Deferred income taxes	**26,982**	26,880
Other noncurrent liabilities	**6,171**	7,167
Minority interest	**297**	250
Commitments and contingencies (Note 15)		
Stockholders' equity		
Preferred stock—authorized, 20,000,000 shares; issued, zero	**—**	—
Class A common stock, $0.01 par value—authorized, 7,500,000,000 shares; issued, 2,426,443,484 and 2,419,025,659; outstanding, 2,060,982,734 and 2,053,564,909	**24**	24
Class A Special common stock, $0.01 par value—authorized, 7,500,000,000 shares; issued, 881,145,954 and 1,018,960,463; outstanding, 810,211,190 and 948,025,699	**9**	10
Class B common stock, $0.01 par value—authorized, 75,000,000 shares; issued and outstanding, 9,444,375	**—**	—
Additional paid-in capital	**40,620**	41,688
Retained earnings	**7,427**	7,191
Treasury stock, 365,460,750 Class A common shares and 70,934,764 Class A Special common shares	**(7,517)**	(7,517)
Accumulated other comprehensive income (loss)	**(113)**	(56)
Total stockholders' equity	**40,450**	41,340
Total liabilities and stockholders' equity	**$ 113,017**	$ 113,417

See notes to consolidated financial statements.

Consolidated Statement of Operations

Year ended December 31 (in millions, except per share data)	2008	2007	2006
Revenue	**$ 34,256**	$ 30,895	$ 24,966
Costs and Expenses:			
Operating (excluding depreciation and amortization)	**13,472**	12,169	9,819
Selling, general and administrative	**7,652**	6,940	5,705
Depreciation	**5,457**	5,107	3,828
Amortization	**943**	1,101	995
	27,524	25,317	20,347
Operating income	**6,732**	5,578	4,619
Other Income (Expense):			
Interest expense	**(2,439)**	(2,289)	(2,064)
Investment income (loss), net	**89**	601	990
Equity in net income (losses) of affiliates, net	**(39)**	(63)	(65)
Other income (expense)	**(285)**	522	114
	(2,674)	(1,229)	(1,025)
Income from continuing operations before income taxes and minority interest	**4,058**	4,349	3,594
Income tax expense	**(1,533)**	(1,800)	(1,347)
Income from continuing operations before minority interest	**2,525**	2,549	2,247
Minority interest	**22**	38	(12)
Income from continuing operations	**2,547**	2,587	2,235
Income from discontinued operations, net of tax	**—**	—	103
Gain on discontinued operations, net of tax	**—**	—	195
Net income	**$ 2,547**	$ 2,587	$ 2,533
Basic earnings per common share			
Income from continuing operations	**$ 0.87**	$ 0.84	$ 0.71
Income from discontinued operations	**—**	—	0.03
Gain on discontinued operations	**—**	—	0.06
Net income	**$ 0.87**	$ 0.84	$ 0.80
Diluted earnings per common share			
Income from continuing operations	**$ 0.86**	$ 0.83	$ 0.70
Income from discontinued operations	**—**	—	0.03
Gain on discontinued operations	**—**	—	0.06
Net income	**$ 0.86**	$ 0.83	$ 0.79
Dividends declared per common share	**$ 0.25**	$ —	$ —

See notes to consolidated financial statements.

Consolidated Statement of Cash Flows

Year ended December 31 (in millions)	**2008**	2007	2006
Operating Activities			
Net income	**$ 2,547**	$ 2,587	$ 2,533
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Depreciation	**5,457**	5,107	3,828
Amortization	**943**	1,101	995
Depreciation and amortization of discontinued operations	**—**	—	139
Share-based compensation	**258**	212	190
Noncash interest expense (income), net	**209**	114	99
Equity in net losses (income) of affiliates, net	**39**	63	65
(Gains) losses on investments and noncash other (income) expense, net	**321**	(938)	(920)
Gain on discontinued operations	**—**	—	(736)
Noncash contribution expense	**—**	11	33
Minority interest	**(22)**	(38)	12
Deferred income taxes	**495**	247	674
Changes in operating assets and liabilities, net of effects of acquisitions and divestitures:			
Change in accounts receivable, net	**39**	(100)	(357)
Change in accounts payable and accrued expenses related to trade creditors	**(38)**	175	560
Change in other operating assets and liabilities	**(17)**	(352)	(497)
Net cash provided by (used in) operating activities	**10,231**	8,189	6,618
Financing Activities			
Proceeds from borrowings	**3,535**	3,713	7,497
Retirements and repayments of debt	**(2,610)**	(1,401)	(2,039)
Repurchases of common stock	**(2,800)**	(3,102)	(2,347)
Dividends paid	**(547)**	—	—
Issuances of common stock	**53**	412	410
Other	**(153)**	62	25
Net cash provided by (used in) financing activities	**(2,522)**	(316)	3,546
Investing Activities			
Capital expenditures	**(5,750)**	(6,158)	(4,395)
Cash paid for intangible assets	**(527)**	(406)	(306)
Acquisitions, net of cash acquired	**(738)**	(1,319)	(5,110)
Proceeds from sales of investments	**737**	1,761	2,720
Purchases of investments	**(1,167)**	(2,089)	(2,812)
Other	**(32)**	62	31
Net cash provided by (used in) investing activities	**(7,477)**	(8,149)	(9,872)
Increase (decrease) in cash and cash equivalents	**232**	(276)	292
Cash and cash equivalents, beginning of year	**963**	1,239	947
Cash and cash equivalents, end of year	**$ 1,195**	$ 963	$ 1,239

See notes to consolidated financial statements.

Consolidated Statement of Stockholders' Equity

	Common Stock Class										
	Shares			Amount						Accumulated	
(in millions)	A	A Special	B	A	A Special	B	Additional Capital	Retained Earnings	Treasury Stock at Cost	Other Comprehensive Income (Loss)	Total
Balance, January 1, 2006	2,045	1,153	9	$24	$12	$—	$42,989	$ 4,825	$(7,517)	$(114)	$40,219
Stock compensation plans	13	10					604	(33)			571
Repurchase and retirement of common stock		(113)			(1)		(1,235)	(1,111)			(2,347)
Employee stock purchase plan	2						43				43
Other comprehensive income										148	148
Net income								2,533			2,533
Balance, December 31, 2006	2,060	1,050	9	24	11	—	42,401	6,214	(7,517)	34	41,167
Cumulative effect related to the adoption of FIN 48 on January 1, 2007								60			60
Stock compensation plans	17	6					688	(28)			660
Repurchase and retirement of common stock	(25)	(108)			(1)		(1,459)	(1,642)			(3,102)
Employee stock purchase plan	2						58				58
Other comprehensive loss										(90)	(90)
Net income								2,587			2,587
Balance, December 31, 2007	2,054	948	9	24	10	—	41,688	7,191	(7,517)	(56)	41,340
Cumulative effect related to the adoption of EITF 06-10 on January 1, 2008								(132)			(132)
Stock compensation plans	**4**	**3**					**265**	**(49)**			**216**
Repurchase and retirement of common stock	**(20)**	**(121)**			**(1)**		**(1,562)**	**(1,237)**			**(2,800)**
Employee stock purchase plan	**3**						**63**				**63**
Other comprehensive loss										**(57)**	**(57)**
Share exchange	**20**	**(20)**					**166**	**(166)**			**—**
Dividend declared (per common share $0.25)								**(727)**			**(727)**
Net income								**2,547**			**2,547**
Balance, December 31, 2008	**2,061**	**810**	**9**	**$24**	**$ 9**	**$—**	**$40,620**	**$ 7,427**	**$(7,517)**	**$(113)**	**$40,450**

Consolidated Statement of Comprehensive Income

(in millions)	2008	2007	2006
Net income	**$2,547**	$2,587	$2,533
Holding gains (losses) during the period, net of deferred taxes of $7, $23 and $(69)	**(13)**	(42)	128
Reclassification adjustments for losses (gains) included in net income, net of deferred taxes of $(10), $46 and $(6)	**18**	(85)	11
Employee benefit obligations, net of deferred taxes of $30, $(16) and $(4)	**(55)**	29	7
Cumulative translation adjustments	**(7)**	8	2
Comprehensive income	**$2,490**	$2,497	$2,681

See notes to consolidated financial statements.

Notes to Consolidated Financial Statements

Note 1: Organization and Business

We are a Pennsylvania corporation and were incorporated in December 2001. Through our predecessors, we have developed, managed and operated cable systems since 1963. We classify our operations in two reportable segments: Cable and Programming.

Our Cable segment is primarily involved in the management and operation of cable systems in the United States. As of December 31, 2008, we served approximately 24.2 million video customers, 14.9 million high-speed Internet customers and 6.5 million phone customers. Our regional sports networks are also included in our Cable segment.

Our Programming segment operates our consolidated national programming networks, including E!, Golf Channel, VERSUS, G4 and Style.

Our other businesses consist primarily of Comcast Interactive Media and Comcast Spectacor. Comcast Interactive Media develops and operates Comcast's Internet businesses, including Comcast.net, Fancast, thePlatform, Fandango, Plaxo and DailyCandy. Comcast Spectacor owns two professional sports teams and two large, multipurpose arenas in Philadelphia, and manages other facilities for sporting events, concerts and other events. We also own equity method investments in other programming networks and wireless-related companies.

Note 2: Summary of Significant Accounting Policies

Basis of Consolidation

The accompanying consolidated financial statements include (i) all of our accounts, (ii) all entities in which we have a controlling voting interest ("subsidiaries") and (iii) variable interest entities ("VIEs") required to be consolidated in accordance with generally accepted accounting principles in the United States ("GAAP"). We have eliminated all significant intercompany accounts and transactions among consolidated entities.

Our Use of Estimates

We prepare our consolidated financial statements in conformity with GAAP, which requires us to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates. Estimates are used when accounting for various items, such as allowances for doubtful accounts, investments, derivative financial instruments, asset impairments, nonmonetary transactions, certain acquisition-related liabilities, programming-related liabilities, pensions and other post-retirement benefits, revenue recognition, depreciation and amortization, income taxes, and legal contingencies. See Note 8 for our discussion on fair value estimates.

Cash Equivalents

The carrying amounts of our cash equivalents approximate their fair value. Our cash equivalents consist primarily of money market funds and U.S. government obligations, as well as commercial paper and certificates of deposit with maturities of less than three months when purchased.

Investments

We classify unrestricted, publicly traded investments as available-for-sale ("AFS") or trading securities and record them at fair value. For AFS securities, we record unrealized gains or losses resulting from changes in fair value between measurement dates as a component of other comprehensive income (loss), except when we consider declines in value to be other than temporary. For trading securities, we record unrealized gains or losses resulting from changes in fair value between measurement dates as a component of investment income (loss), net. We recognize realized gains and losses associated with our fair value method investments using the specific identification method. Effective with the adoption of Statement of Financial Accounting Standards ("SFAS") No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities," ("SFAS No. 159"), we classify the cash flows related to purchases of and proceeds from the sale of trading securities based on the nature of the securities and purpose for which they were acquired (see Note 3).

We use the equity method to account for investments in which we have the ability to exercise significant influence over the investee's operating and financial policies. Equity method investments are recorded at cost and are adjusted to recognize (i) our proportionate share of the investee's net income or losses after the date of investment, (ii) amortization of basis differences, (iii) additional contributions made and dividends received, and (iv) impairments resulting from other-than-temporary declines in fair value. We generally record our share of the investee's net income or loss one quarter in arrears due to the timing of our receipt of such information. Gains or losses on the sale of equity method investments are recorded in other income (expense).

Restricted, publicly traded investments and investments in privately held companies are stated at cost and adjusted for any known decrease in value.

We review our investment portfolio each reporting period to determine whether there are identified events or circumstances that would indicate there is a decline in the fair value that is considered to be other than temporary. For our non-public investments, if there are no identified events or circumstances that would have a significant adverse effect on the fair value of the investment, then the fair value is not estimated. If an investment is deemed to have experienced an other-than-temporary decline below its cost basis, we reduce the carrying amount of the investment to its quoted or estimated fair value, as applicable, and establish a new cost basis for the investment. For our AFS and cost method investments, we charge the impairment to investment income (loss), net. For our equity method investments, the impairment is recorded to other income (expense) (see Note 6).

If a consolidated entity or equity method investee issues additional securities that change our proportionate share of the entity, we recognize the change as a gain or loss in our consolidated statement of operations. In cases where gain realization is not assured, we record the gain to additional paid-in capital.

Property and Equipment
Property and equipment are stated at cost. We capitalize improvements that extend asset lives and expense other repairs and maintenance charges as incurred. For assets that are sold or retired, we remove the applicable cost and accumulated depreciation and, unless the gain or loss on disposition is presented separately, we recognize it as a component of depreciation expense.

We capitalize the costs associated with the construction of our cable transmission and distribution facilities and new service installations. Costs include all direct labor and materials, as well as various indirect costs. We capitalize initial customer installation costs directly attributable to installation of the drop, including material, labor and overhead cost, in accordance with SFAS No. 51, "Financial Reporting by Cable Television Companies." All costs incurred in connection with subsequent service disconnects and reconnects are expensed as they are incurred.

We record depreciation using the straight-line method over estimated useful lives. Our significant components of property and equipment are as follows:

December 31 (in millions)	Weighted Average Original Useful Life	2008	2007
Cable transmission equipment and distribution facilities	12 years	**$ 15,660**	$ 14,978
Customer premises equipment	6 years	**17,788**	15,373
Scalable infrastructure	6 years	**5,776**	5,179
Support capital	5 years	**5,820**	5,521
Buildings and building improvements	20 years	**1,874**	1,667
Land	–	**205**	202
Other	8 years	**556**	512
Property and equipment, at cost		**47,679**	43,432
Less: Accumulated depreciation		**(23,235)**	(19,808)
Property and equipment, net		**$ 24,444**	$ 23,624

We evaluate the recoverability and estimated lives of our property and equipment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable or the useful life has changed. The evaluation is based on the cash flows generated by the underlying assets and profitability information, including estimated future operating results, trends or other determinants of fair value. If the total of the expected future undiscounted cash flows is less than the carrying amount of the asset, we would recognize a loss for the difference between the estimated fair value and the carrying value of the asset. Unless presented separately, the loss is included as a component of depreciation expense.

Intangible Assets

Indefinite-Lived Intangibles
Franchise Rights
Our franchise rights consist of cable franchise rights and sports franchise rights. Cable franchise rights represent the value attributed to agreements with local authorities that allow access to homes in cable service areas acquired in business combinations. Sports franchise rights represent the value we attribute to our professional sports teams. We do not amortize cable franchise rights or sports franchise rights because we have determined that they have an indefinite life. We reassess this determination periodically for each franchise based on the factors included in SFAS No. 142, "Goodwill and Other Intangible Assets," ("SFAS No. 142"). Costs we incur in negotiating and renewing cable franchise agreements are included in other intangible assets and are primarily amortized on a straight-line basis over the term of the franchise renewal period.

We evaluate the recoverability of our franchise rights annually, or more frequently whenever events or changes in circumstances indicate that the assets might be impaired. We estimate the fair value of our cable franchise rights primarily based on a discounted cash flow analysis. We also consider multiples of operating income before depreciation and amortization generated by the underlying assets, current market transactions, and profitability information in analyzing the fair values indicated under the discounted cash flow models. If the value of our cable franchise rights is less than the carrying amount, we would recognize an impairment for the difference between the estimated fair value and the carrying value of the assets. We evaluate the unit of account used to test for impairment of our cable franchise rights periodically to ensure testing is performed at an appropriate level. In July 2008, our Cable division management structure was reorganized from five divisions to four. Our impairment testing as of July 1, 2008 confirmed that no impairment existed before the change.

Goodwill
Goodwill is the excess of the acquisition cost of an acquired entity over the fair value of the identifiable net assets acquired. In accordance with SFAS No. 142, we do not amortize goodwill.

We assess the recoverability of our goodwill annually, or more frequently whenever events or changes in circumstances indicate that the asset might be impaired. We generally perform the assessment of our goodwill one level below the operating segment level. In our Cable business, since components one level below the segment level (Cable divisions) are not separate reporting units and have similar economic characteristics, we aggregate the components into one reporting unit at the Cable segment level.

* * *

Since the adoption of SFAS No. 142, we have performed annual impairment testing of our indefinite-lived intangibles, including cable franchise rights, sports franchise rights and goodwill, using April 1 as the measurement date. In 2008, we changed the timing of our financial and strategic planning process, including the preparation of long-term projections, from completion in the early part of each calendar year to a midyear completion. These long-term financial projections are used as the basis for performing our annual impairment testing. As a result, we have changed our measurement date from April 1 to July 1. We tested our indefinite-lived intangibles for impairment as of April 1, 2008 and July 1, 2008, and no impairments were indicated as of either date. Since the adoption of SFAS No. 142 in 2002, we have not recorded any significant impairments as a result of our impairment testing. We believe changing the measurement date to coincide with the completion of our long-term financial projections is preferable and does not result in the delay, acceleration or avoidance of an impairment.

Other Intangibles

Other intangible assets consist primarily of franchise-related customer relationships acquired in business combinations, programming distribution rights, software, cable franchise renewal costs, and programming agreements and rights. We record these costs as assets and amortize them on a straight-line basis over the term of the related agreements or estimated useful life. See Note 7 for the ranges of useful lives of our intangible assets.

Programming Distribution Rights

Our Programming subsidiaries enter into multiyear license agreements with various multichannel video providers for distribution of their programming ("distribution rights"). We capitalize amounts paid to secure or extend these distribution rights and include them within other intangible assets. We amortize these distribution rights on a straight-line basis over the term of the related license agreements. We classify the amortization of these distribution rights as a reduction of revenue unless the Programming subsidiary receives, or will receive, an identifiable benefit from the distributor separate from the fee paid for the distribution right, in which case we recognize the fair value of the identified benefit as an operating expense in the period in which it was received.

Software

We capitalize direct development costs associated with internal-use software, including external direct costs of material and services and payroll costs for employees devoting time to these software projects. We also capitalize costs associated with the purchase of software licenses. We include these costs within other intangible assets and amortize them on a straight-line basis over a period not to exceed 5 years, beginning when the asset is substantially ready for use. We expense maintenance and training costs, as well as costs incurred during the preliminary stage of a project, as they are incurred. We capitalize initial operating system software costs and amortize them over the life of the associated hardware.

* * *

We periodically evaluate the recoverability and estimated lives of our intangible assets subject to amortization whenever events or changes in circumstances indicate that the carrying amount may not be recoverable or the useful life has changed. The evaluation is based on the cash flows generated by the underlying assets and profitability information, including estimated future operating results, trends or other determinants of fair value. If the total of the expected future undiscounted cash flows is less than the carrying amount of the asset, we would recognize a loss for the difference between the estimated fair value and the carrying value of the asset. Unless presented separately, the loss would be included as a component of amortization expense.

Asset Retirement Obligations

SFAS No. 143, "Accounting for Asset Retirement Obligations," as interpreted by Financial Accounting Standards Board ("FASB") Interpretation ("FIN") No. 47, "Accounting for Conditional Asset Retirement Obligations — an Interpretation of FASB Statement No. 143," requires that a liability be recognized for an asset retirement obligation in the period in which it is incurred if a reasonable estimate of fair value can be made.

Certain of our franchise and lease agreements contain provisions requiring us to restore facilities or remove property in the event that the franchise or lease agreement is not renewed. We expect to continually renew our franchise agreements and therefore cannot estimate any liabilities associated with such agreements. A remote possibility exists that franchise agreements could terminate unexpectedly, which could result in us incurring significant expense in complying with restoration or removal provisions. The disposal obligations related to our properties are not material to our consolidated financial statements. No such liabilities have been recorded in our consolidated financial statements.

Revenue Recognition

Our Cable segment revenue is primarily derived from customer fees received for our video, high-speed Internet and phone services ("cable services") and from advertising. We recognize revenue from cable services as the service is provided. We manage credit risk by screening applicants through the use of credit bureau data. If a customer's account is delinquent, various measures are used to collect outstanding amounts, including termination of the customer's cable service. Installation revenue obtained from the connection of customers to our cable systems is less than related direct selling costs. Therefore, such revenue is recognized as connections are completed. We recognize advertising revenue when the advertising is aired and based on the broadcast calendar. Revenue earned from other sources is recognized when services are provided or events occur. Under the terms of our franchise agreements, we are generally required to pay to the local franchising authority an amount based on our gross video revenue. We normally pass these fees through to our cable customers and classify the fees as a component of revenue with the corresponding costs included in operating expenses. Prior to 2008, the corresponding costs were included in selling, general and administrative expenses. For 2007 and 2006, we reclassified approximately $863 million and $788 million, respectively, from selling, general and administrative expenses to operating expenses. The 2008 amount is approximately $933 million. We believe such classification is more appropriate based on the nature of these expenses. We present other taxes imposed on a revenue-producing transaction as revenue if we are acting as a principal or as a reduction to operating expenses if we are acting as an agent.

Our Programming segment recognizes revenue from distributors as programming is provided, generally under multiyear distribution agreements. From time to time these agreements expire while programming continues to be provided to the operator based on interim arrangements while the parties negotiate new contract terms. Revenue recognition is generally limited to current payments being made by the operator, typically under the prior contract terms, until a new contract is negotiated, sometimes with effective dates that affect prior periods. Differences between actual amounts determined upon resolution of negotiations and amounts recorded during these interim arrangements are recorded in the period of resolution.

Advertising revenue for our Programming segment is recognized in the period in which commercials or programs are aired. In some instances, our Programming businesses guarantee viewer ratings either for the programming or for the commercials. Revenue is deferred to the extent of an estimated shortfall in the ratings. Such shortfalls are primarily settled by providing additional advertising time, at which point the revenue is recognized.

Cable Programming Expenses

Cable programming expenses are the fees we pay to programming networks to license the programming we package, offer and distribute to our video customers. Programming is acquired for distribution to our video customers, generally under multiyear distribution agreements, with rates typically based on the number of customers that receive the programming, adjusted for channel positioning and the extent of distribution. From time to time these contracts expire and programming continues to be provided based on interim arrangements while the parties negotiate new contractual terms, sometimes with effective dates that affect prior periods. While payments are typically made under the prior contract terms, the amount of our programming expenses recorded during these interim arrangements is based on our estimates of the ultimate contractual terms expected to be negotiated. Differences between actual amounts determined upon resolution of negotiations and amounts recorded during these interim arrangements are recorded in the period of resolution.

When our Cable segment receives incentives from programming networks for the licensing of their programming, we classify the deferred portion of these fees within liabilities and recognize them over the term of the contract as a reduction of programming expenses, which are included in operating expenses.

Share-Based Compensation

Effective January 1, 2006, we adopted SFAS No. 123R, "Share-Based Payment," ("SFAS No. 123R"), using the Modified Prospective Approach. Under the Modified Prospective Approach, the amount of compensation cost recognized includes (i) compensation cost for all share-based payments granted before but not yet vested as of January 1, 2006, based on the grant date fair value estimated in accordance with SFAS No. 123, "Accounting for Stock-Based Compensation," ("SFAS No. 123"), and (ii) compensation cost for all share-based payments granted or modified after January 1, 2006, based on the estimated fair value at the date of grant or subsequent modification date in accordance with SFAS No. 123R. See Note 12 for further details regarding share-based compensation.

Income Taxes

Our provision for income taxes is based on our current period income, changes in deferred income tax assets and liabilities, income tax rates, changes in estimates of our uncertain tax positions, and tax planning opportunities available in the jurisdictions in which we operate. Substantially all of our income is from operations in the United States. We recognize deferred tax assets and liabilities when there are temporary differences between the financial reporting basis and tax basis of our assets and liabilities and for the expected benefits of using net operating loss carryforwards. When changes in tax rates or tax laws have an impact on deferred taxes, we apply the change during the years in which temporary differences are expected to reverse. These amounts are recorded in our consolidated financial statements in the period of enactment.

On January 1, 2007, we adopted FIN 48, "Accounting for Uncertainty in Income Taxes — an Interpretation of FASB Statement No. 109," ("FIN 48"). FIN 48 prescribes the recognition threshold and measurement attribute for the financial statement recognition and measurement of uncertain tax positions taken or expected to be taken in a tax return.

We account for income tax uncertainties that arise in connection with business combinations and those that are associated with entities acquired in business combinations in accordance with Emerging Issues Task Force ("EITF") Issue No. 93-7, "Uncertainties Related to Income Taxes in a Purchase Business Combination," ("EITF 93-7"). Deferred tax assets and liabilities are recorded as of the date of a business combination and are based on our estimate of the ultimate tax basis that will be accepted by the various taxing authorities. Liabilities for contingencies associated with prior tax returns filed by the acquired entity are recorded based on criteria set forth in FIN 48. We adjust the deferred tax accounts and the liabilities periodically to reflect any revised estimated tax basis and any estimated settlements with the various taxing authorities. The effect of these adjustments is generally applied to goodwill except for post-acquisition interest expense, which is recognized as an adjustment to income tax expense. Effective with the adoption on January 1, 2009 of SFAS No. 141R, "Business Combinations — a replacement of FASB Statement No. 141," ("SFAS No. 141R"), which also supersedes EITF 93-7, all tax adjustments recognized that would have impacted goodwill will be recognized within income tax expense.

We classify interest and penalties, if any, associated with our uncertain tax positions as a component of income tax expense.

Derivative Financial Instruments

We use derivative financial instruments to manage our exposure to the risks associated with fluctuations in interest rates and equity prices. All derivative transactions must comply with a derivatives policy authorized by our Board of Directors. We do not engage in any speculative or leveraged derivative transactions.

We manage our exposure to fluctuations in interest rates by using derivative financial instruments such as interest rate exchange agreements ("swaps") and interest rate lock agreements ("rate locks"). We sometimes enter into rate locks to hedge the risk that the cash flows related to the interest payments on an anticipated issuance or assumption of fixed-rate debt may be adversely affected by interest-rate fluctuations.

We manage our exposure to and benefits from price fluctuations in the common stock of some of our investments by using equity derivative financial instruments embedded in other contracts such as indexed debt instruments and prepaid forward sale agreements whose values, in part, are derived from the market value of certain publicly traded common stock.

We periodically examine the instruments we use to hedge exposure to interest rate and equity price risks to ensure that the instruments are matched with underlying assets or liabilities, to reduce our risks relating to changes in interest rates or equity prices and, through market value and sensitivity analysis, to maintain a high correlation to the risk inherent in the hedged item. For those instruments that do not meet the above conditions, and for those derivative instruments that are not designated as a hedge, changes in fair value are recognized on a current basis in earnings.

We manage the credit risks associated with our derivative financial instruments through the evaluation and monitoring of the creditworthiness of the counterparties. Although we may be exposed to losses in the event of nonperformance by the counterparties, we do not expect such losses, if any, to be significant.

For derivative instruments designated and effective as fair value hedges, such as fixed to variable swaps, changes in the fair value of the derivative instrument substantially offset changes in the fair value of the hedged item, each of which is recorded to interest expense. When fair value hedges are terminated, sold, exercised or have expired, any gain or loss resulting from changes in the fair value of the hedged item is deferred and recognized in earnings over the remaining life of the hedged item. When the hedged item is settled or sold, the unamortized adjustment in the carrying amount of the hedged item is recognized in earnings.

For derivative instruments designated as cash flow hedges, such as variable to fixed swaps and rate locks, the effective portion of the hedge is reported in other comprehensive income (loss) and recognized as an adjustment to interest expense over the same period in which the related interest costs are recognized in earnings. When hedged variable-rate debt is settled, the previously deferred effective portion of the hedge is written off to interest expense in a manner similar to debt extinguishment costs.

Equity derivative instruments embedded in other contracts are separated from their host contract. The derivative component is recorded at its estimated fair value in our consolidated balance sheet and changes in its value are recorded each period to investment income (loss), net.

Reclassifications

Reclassifications have been made between operating expenses and selling, general and administrative expenses in the prior years' consolidated financial statements to conform to classifications used in 2008.

Note 3: Recent Accounting Pronouncements

SFAS No. 141R

In November 2007, the FASB issued SFAS No. 141R, which continues to require that all business combinations be accounted for by applying the acquisition method. Under the acquisition method, the acquirer recognizes and measures the identifiable assets acquired, the liabilities assumed, and any contingent consideration and contractual contingencies, as a whole, at their fair value as of the acquisition date. Under SFAS No. 141R, all transaction costs are expensed as incurred. SFAS No. 141R rescinds EITF 93-7. Under EITF 93-7, the effect of any subsequent adjustments to uncertain tax positions was generally applied to goodwill, except for post-acquisition interest on uncertain tax positions, which was recognized as an adjustment to income tax expense. Under SFAS No. 141R, all subsequent adjustments to income tax liabilities and related interest that would have impacted goodwill are recognized within income tax expense. The guidance in SFAS No. 141R will be applied prospectively to any business combination for which the acquisition date is on or after January 1, 2009.

SFAS No. 157

In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements," ("SFAS No. 157"). SFAS No. 157 defines fair value, establishes a framework for measuring fair value and expands disclosure about fair value measurements. SFAS No. 157 is effective for financial assets and financial liabilities in fiscal years beginning after November 15, 2007 and for nonfinancial assets and nonfinancial liabilities in fiscal years beginning after March 15, 2008. Effective January 1, 2008, we adopted the provisions of SFAS No. 157 that relate to our financial assets and financial liabilities. We are evaluating the impact of the provisions of SFAS No. 157 that relate to our nonfinancial assets and nonfinancial liabilities, which are effective for us as of January 1, 2009, and currently do not expect the adoption to have a material impact on our consolidated financial statements. See Note 8 for further details regarding the adoption of this standard.

SFAS No. 159

In February 2007, the FASB issued SFAS No. 159, which provides the option to report certain financial assets and financial liabilities at fair value, with the intent to mitigate the volatility in financial reporting that can occur when related assets and liabilities are each recorded on a different basis. SFAS No. 159 amends FASB Statement No. 95, "Statement of Cash Flows," ("SFAS No. 95") and FASB Statement No. 115, "Accounting for Certain Investments in Debt and Equity Securities," ("SFAS No. 115"). SFAS No. 159 specifies that cash flows from trading securities, including securities for which an entity has elected the fair value option, should be classified in the statement of cash flows based on the nature of and purpose for which the securities were acquired. Before this amendment, SFAS No. 95 and SFAS No. 115 specified that cash flows from trading securities must be classified as cash flows from operating activities. Effective January 1, 2008, we adopted SFAS No. 159. We have not elected the fair value option for any financial assets or financial liabilities. Upon adoption, we reclassified $603 million of proceeds from the sale of trading securities within our statement of cash flows for the year ended December 31, 2007 from an operating activity to an investing activity. The adoption of SFAS No. 159 had no effect on our statement of cash flows for the year ended December 31, 2006.

SFAS No. 160

In November 2007, the FASB issued SFAS No. 160, "Accounting and Reporting of Noncontrolling Interest," ("SFAS No. 160"). SFAS No. 160 requires that a noncontrolling interest (previously referred to as a minority interest) be separately reported in the equity section of the consolidated entity's balance sheet. SFAS No. 160 also established accounting and reporting standards for (i) ownership interests in subsidiaries held by parties other than the parent, (ii) the amount of consolidated net income attributable to the parent and to the noncontrolling interest, (iii) changes in a parent's ownership interest and (iv) the valuation of retained noncontrolling equity investments when a subsidiary is deconsolidated. SFAS No. 160 is effective for us beginning January 1, 2009, at which time our financial statements will reflect the new presentation for noncontrolling interests.

EITF Issue No. 06-10

In March 2007, the EITF reached a consensus on EITF Issue No. 06-10, "Accounting for Deferred Compensation and Postretirement Benefit Aspects of Collateral Assignment Split-Dollar Life Insurance Arrangements," ("EITF 06-10"). EITF 06-10 provides that an employer should recognize a liability for the post-retirement benefit related to collateral assignment split-dollar life insurance arrangements. We adopted EITF 06-10 on January 1, 2008, at which time we adjusted beginning retained earnings and recorded a liability of $132 million. See Note 10 for further details regarding the adoption of this standard.

Note 4: Earnings Per Share

Basic earnings per common share ("Basic EPS") is computed by dividing net income from continuing operations by the weighted-average number of common shares outstanding during the period.

Our potentially dilutive securities include potential common shares related to our stock options and restricted share units ("RSUs"). Diluted earnings per common share ("Diluted EPS") considers the impact of potentially dilutive securities using the treasury stock method except in periods in which there is a loss because the inclusion of the potential common shares would have an anti-dilutive effect. Diluted EPS excludes the impact of potential common shares related to our stock options in periods in which the option exercise price is greater than the average market price of our Class A common stock or our Class A Special common stock, as applicable (see Note 12).

Diluted EPS for 2008, 2007 and 2006 excludes approximately 159 million, 61 million and 116 million, respectively, of potential common shares related to our share-based compensation plans, because the inclusion of the potential common shares would have an antidilutive effect.

Computation of Diluted EPS

	2008			2007			2006		
Year ended December 31 (in millions, except per share data)	Income	Shares	Per Share Amount	Income	Shares	Per Share Amount	Income	Shares	Per Share Amount
Basic EPS	$2,547	2,939	$0.87	$2,587	3,098	$0.84	$2,235	3,160	$0.71
Effect of dilutive securities:									
Assumed exercise or issuance of shares relating to stock plans		13			31			20	
Diluted EPS	$2,547	2,952	$0.86	$2,587	3,129	$0.83	$2,235	3,180	$0.70

Note 5: Acquisitions and Other Significant Events

2008 Acquisitions

Insight Transaction

In April 2007, we and Insight Communications ("Insight") agreed to divide the assets and liabilities of Insight Midwest, a 50%-50% cable system partnership with Insight (the "Insight transaction"). On December 31, 2007, we contributed approximately $1.3 billion to Insight Midwest for our share of the partnership's debt. On January 1, 2008, the distribution of the assets of Insight Midwest was completed without assumption of any of Insight's debt by us and we received cable systems serving approximately 696,000 video customers in Illinois and Indiana (the "Comcast asset pool"). Insight received cable systems serving approximately 652,000 video customers, together with approximately $1.24 billion of debt allocated to those cable systems (the "Insight asset pool"). We accounted for our interest in Insight Midwest as an equity method investment until the Comcast asset pool was distributed to us on January 1, 2008. We accounted for the distribution of assets by Insight Midwest as a sale of our 50% interest in the Insight asset pool in exchange for acquiring an additional 50% interest in the Comcast asset pool. The estimated fair value of the 50% interest of the Comcast asset pool we received was approximately $1.2 billion and resulted in a pretax gain of approximately $235 million, which is included in other income (expense). We recorded our 50% interest in the Comcast asset pool as a step acquisition in accordance with SFAS No. 141, "Business Combinations," ("SFAS No. 141").

The results of operations for the cable systems acquired in the Insight transaction have been reported in our consolidated financial statements since January 1, 2008 and are reported in our Cable segment. The weighted-average amortization period of the franchise-related customer relationship intangible assets acquired was 4.5 years. Substantially all of the goodwill recorded is expected to be amortizable for tax purposes.

The table below presents the purchase price allocation to assets acquired and liabilities assumed as a result of the Insight transaction.

(in millions)	
Property and equipment	$ 587
Franchise-related customer relationships	64
Cable franchise rights	1,374
Goodwill	105
Other assets	27
Total liabilities	(31)
Net assets acquired	**$2,126**

The following unaudited pro forma information has been presented as if the Insight transaction had occurred on January 1, 2007. This information is based on historical results of operations, adjusted for purchase price allocations, and is not necessarily indicative of what the results would have been had we operated the cable systems since January 1, 2007.

Year ended December 31, 2007 (in millions, except per share data)	
Revenue	$31,582
Net income	$ 2,627
Basic EPS	$ 0.85
Diluted EPS	$ 0.84

Other 2008 Acquisitions

In April 2008, we acquired an additional interest in Comcast SportsNet Bay Area. In July 2008, we acquired Plaxo, an address book management and social networking Web site service. In August 2008, we acquired the remaining interest in G4 that we did not already own. In September 2008, we acquired DailyCandy, an e-mail newsletter and Web site. The results of operations for these acquisitions have been included in our consolidated results of operations since their respective acquisition dates. The results of operations for Plaxo and DailyCandy are reported in Corporate and

Other. The aggregate purchase price of these other 2008 acquisitions was approximately $610 million. None of these acquisitions were material to our consolidated financial statements for the year ended December 31, 2008.

2007 Acquisitions

The Houston Transaction

In July 2006, we initiated the dissolution of Texas and Kansas City Cable Partners (the "Houston transaction"), our 50%-50% cable system partnership with Time Warner Cable. On January 1, 2007, the distribution of assets by Texas and Kansas City Cable Partners was completed and we received the cable system serving Houston, Texas (the "Houston asset pool") and Time Warner Cable received the cable systems serving Kansas City, south and west Texas, and New Mexico (the "Kansas City asset pool"). We accounted for the distribution of assets by Texas and Kansas City Cable Partners as a sale of our 50% interest in the Kansas City asset pool in exchange for acquiring an additional 50% interest in the Houston asset pool. This transaction resulted in an increase of approximately 700,000 video customers. The estimated fair value of the 50% interest of the Houston asset pool we received was approximately $1.1 billion and resulted in a pretax gain of approximately $500 million, which is included in other income (expense). We recorded our 50% interest in the Houston asset pool as a step acquisition in accordance with SFAS No. 141.

The results of operations for the cable systems acquired in the Houston transaction have been reported in our Cable segment since August 1, 2006 and in our consolidated financial statements since January 1, 2007 (the date of the distribution of assets). The weighted-average amortization period of the franchise-related customer relationship intangible assets acquired was 7 years. As a result of the Houston transaction, we reversed deferred tax liabilities of approximately $200 million, which were primarily related to the excess of tax basis of the assets acquired over the tax basis of the assets exchanged, and reduced the amount of goodwill that would have otherwise been recorded in the acquisition. Substantially all of the goodwill recorded is expected to be amortizable for tax purposes.

The table below presents the purchase price allocation to assets acquired and liabilities assumed as a result of the Houston transaction.

(in millions)	
Property and equipment	$ 870
Franchise-related customer relationships	266
Cable franchise rights	1,954
Goodwill	426
Other assets	267
Total liabilities	(73)
Net assets acquired	$3,710

Other 2007 Acquisitions

In April 2007, we acquired Fandango, an online entertainment site and movie-ticket service. The results of operations of Fandango have been included in our consolidated financial statements since the acquisition date and are reported in Corporate and Other. In June 2007, we acquired Rainbow Media Holdings LLC's 60% interest in Comcast SportsNet Bay Area (formerly known as Bay Area SportsNet) and its 50% interest in Comcast SportsNet New England (formerly known as Sports Channel New England), expanding our regional sports networks. The completion of this transaction resulted in our 100% ownership in Comcast SportsNet New England and 60% ownership in Comcast SportsNet Bay Area. In August 2007, we acquired the cable system of Patriot Media serving approximately 81,000 video customers in central New Jersey. The results of operations of Patriot Media, Comcast SportsNet Bay Area and Comcast SportsNet New England have been included in our consolidated financial statements since their acquisition dates and are reported in our Cable segment. The aggregate purchase price of these other 2007 acquisitions was approximately $1.288 billion. None of these acquisitions were material to our consolidated financial statements for the year ended December 31, 2007.

2006 Acquisitions

The Adelphia and Time Warner Transactions

In April 2005, we entered into an agreement with Adelphia Communications ("Adelphia") in which we agreed to acquire certain assets and assume certain liabilities of Adelphia (the "Adelphia acquisition"). At the same time, we and Time Warner Cable Inc. and certain of its affiliates ("TWC") entered into several agreements in which we agreed to (i) have our interest in Time Warner Entertainment Company, L.P. ("TWE") redeemed, (ii) have our interest in TWC redeemed (together with the TWE redemption, the "redemptions") and (iii) exchange certain cable systems acquired from Adelphia and certain Comcast cable systems with TWC (the "exchanges"). On July 31, 2006, these transactions were completed. We collectively refer to the Adelphia acquisition, the redemptions and the exchanges as the "Adelphia and Time Warner transactions." Also in April 2005, Adelphia and TWC entered into an agreement for the acquisition of substantially all of the remaining cable system assets and the assumption of certain of the liabilities of Adelphia.

The Adelphia and Time Warner transactions resulted in a net increase of 1.7 million video customers, a net cash payment by us of approximately $1.5 billion and the disposition of our ownership interests in TWE and TWC and the assets of two cable system partnerships.

The Adelphia and Time Warner transactions added cable systems in 16 states (California, Colorado, Connecticut, Florida, Georgia, Louisiana, Maryland, Massachusetts, Minnesota, Mississippi, Oregon, Pennsylvania, Tennessee, Vermont, Virginia and West Virginia).

The cable systems we transferred to TWC included our previously owned cable systems located in Los Angeles, Cleveland and Dallas (the "Comcast exchange systems"). The operating results of the Comcast exchange systems are reported as discontinued operations and are presented in accordance with SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," ("SFAS No. 144") (see "Discontinued Operations" below).

Purchase Price Allocation

The results of operations for the cable systems acquired in the Adelphia and Time Warner transactions have been included in our consolidated financial statements since July 31, 2006 (the acquisition date). The weighted-average amortization period of the franchise-related customer relationship intangible assets acquired was 7 years. As a result of the redemption of our investment in TWC and the exchange of certain cable systems in 2006, we reversed deferred tax liabilities of approximately $760 million, which were primarily related to the excess of tax basis of the assets acquired over the tax basis of the assets exchanged, and reduced the amount of goodwill and other noncurrent assets that would have otherwise been recorded in the acquisition. Substantially all of the goodwill recorded is expected to be amortizable for tax purposes.

The table below presents the purchase price allocation to assets acquired and liabilities assumed as a result of the Adelphia and Time Warner transactions.

(in millions)	
Property and equipment	$ 2,640
Franchise-related customer relationships	1,627
Cable franchise rights	6,730
Goodwill	420
Other assets	111
Total liabilities	(351)
Net assets acquired	$11,177

Discontinued Operations

As discussed above, the operating results of the Comcast exchange systems transferred to TWC are reported as discontinued operations and are presented in accordance with SFAS No. 144. The table below presents the operating results of the Comcast exchange systems through the closing date of the exchanges (July 31, 2006):

Year ended December 31, 2006 (in millions)	
Revenue	$734
Income before income taxes	$121
Income tax expense	$ (18)
Net income	$103

Other 2006 Acquisitions

E! Entertainment Television

In November 2006, we acquired the 39.5% of E! Entertainment Television, which operates the E! and Style programming networks, that we did not already own for approximately $1.2 billion. We have historically consolidated the results of operations of E! Entertainment Television. We allocated the purchase price to property and equipment, intangibles, and goodwill.

Susquehanna

In April 2006, we acquired the cable systems of Susquehanna Cable Co. and its subsidiaries ("Susquehanna") for a total purchase price of approximately $775 million. These cable systems are located primarily in Pennsylvania, New York, Maine and Mississippi. Before the acquisition, we held an approximate 30% equity ownership interest in Susquehanna that we accounted for as an equity method investment. On May 1, 2006, Susquehanna Cable Co. redeemed the approximate 70% equity ownership interest in Susquehanna held by Susquehanna Media Co., which resulted in Susquehanna becoming 100% owned by us. The results of operations of these cable systems have been included in our consolidated financial statements since the acquisition date and are reported in our Cable segment. We allocated the purchase price to property and equipment, franchise-related customer relationship intangibles, cable franchise rights, and goodwill. The acquisition of these cable systems was not material to our consolidated financial statements for the year ended December 31, 2006.

Note 6: Investments

The components of our investments are presented in the table below.

December 31 (in millions)	2008	2007
Fair Value Method		
Equity securities	**$ 940**	$2,080
Debt securities	**3**	621
	943	2,701
Equity Method		
Insight Midwest	**—**	1,877
SpectrumCo, LLC	**1,354**	1,352
Clearwire	**421**	—
Other	**402**	453
	2,177	3,682
Cost Method		
AirTouch	**1,479**	1,465
Other	**243**	213
	1,722	1,678
Total investments	**4,842**	8,061
Less: Current investments	**59**	98
Noncurrent investments	**$4,783**	$7,963

Fair Value Method

We hold equity investments in publicly traded companies that we account for as AFS or trading securities. As of December 31, 2008, we held $932 million of fair value method equity securities related to our obligations under prepaid forward contracts, which mature between 2011 and 2015. At maturity of these prepaid forward contracts, the counterparties are entitled to receive some or all of the equity securities, or an equivalent amount of cash at our option, based upon the market value of the equity securities at that time.

The net unrealized gains on investments accounted for as AFS securities as of December 31, 2008 and 2007 were $29 million and $42 million, respectively. The amounts were reported primarily as a component of accumulated other comprehensive income (loss), net of related deferred income taxes of $10 million and $15 million in 2008 and 2007, respectively.

The cost, fair value, and unrealized gains and losses related to our AFS securities are presented in the table below. The decreases in 2008 from 2007 are primarily due to the sale of debt securities.

Year ended December 31 (in millions)	2008	2007
Cost	**$60**	$685
Unrealized gains	**34**	44
Unrealized losses	**(5)**	(2)
Fair value	**$89**	$727

Proceeds from the sale of AFS securities in 2008, 2007 and 2006 were $638 million, $1.033 billion and $209 million, respectively. Gross realized gains on these sales in 2008, 2007 and 2006 were $1 million, $145 million and $59 million, respectively. Sales of AFS securities for the year ended December 31, 2008 consisted primarily of the sale of debt securities. Sales of AFS securities in 2007 and 2006 consisted primarily of sales of Time Warner Inc. common stock.

Equity Method

Insight Midwest Partnership

We accounted for our interest in Insight Midwest as an equity method investment until January 1, 2008, the date the Comcast asset pool was distributed to us (see Note 5). As of December 31, 2007, our recorded investment in Insight exceeded our proportionate interest in the book value of its net assets by $144 million. The basis difference was attributed to indefinite-lived intangible assets.

SpectrumCo, LLC

SpectrumCo, LLC ("SpectrumCo"), a consortium of investors including us, Time Warner Cable, Bright House Networks and Cox Communications ("Cox"), was the successful bidder for 137 wireless spectrum licenses for approximately $2.4 billion in the Federal Communications Commission's advanced wireless spectrum auction that concluded in September 2006. Our portion of the total cost to purchase the licenses was approximately $1.3 billion. In October 2008, SpectrumCo and its members entered into an agreement under which Cox would withdraw as a member of SpectrumCo and have its interest in SpectrumCo redeemed in accordance with its pre-existing exit rights. Under the agreement, Cox was entitled to receive from SpectrumCo at the closing approximately $70 million and certain spectrum licenses covering areas in or near Cox's service area. The agreement required the $70 million to be funded by contributions to SpectrumCo from the remaining members. This transaction closed in January 2009 and we contributed $45 million to SpectrumCo to satisfy our funding obligations under the agreement. Based on SpectrumCo's currently planned activities, we have determined that it is not a VIE. We have and continue to account for this joint venture as an equity method investment based on its governance structure, notwithstanding our majority interest.

Clearwire

In November 2008, Sprint Nextel ("Sprint") and the legal predecessor of Clearwire Corporation ("old Clearwire") closed on a series of transactions (collectively the "Clearwire transaction") with an investor group made up of us, Intel, Google, Time Warner Cable and Bright House Networks. As a result of the Clearwire transaction, Sprint and old Clearwire combined their next-generation wireless broadband businesses and formed a new independent holding company, Clearwire Corporation, and its operating subsidiary, Clearwire Communications LLC ("Clearwire

LLC"), that will focus on the deployment of a nationwide 4G wireless network. We, together with the other members of the investor group, have invested $3.2 billion in Clearwire LLC. Our portion of the investment was $1.05 billion. As a result of our investment, we received ownership units ("ownership units") of Clearwire LLC and Class B stock ("voting stock") of Clearwire Corporation, the publicly traded holding company that controls Clearwire LLC. The voting stock has voting rights equal to those of the publicly traded Class A stock of Clearwire Corporation, but has only minimal economic rights. We hold our economic rights through the ownership units, which have limited voting rights. One ownership unit combined with one share of voting stock are exchangeable into one share of Clearwire Corporation's publicly traded Class A stock. At closing, we received 52.5 million ownership units and 52.5 million shares of voting stock, which represents an approximate 7% ownership interest on a fully diluted basis. During the first quarter of 2009, the purchase price per share is expected to be adjusted based on the trading prices of Clearwire Corporation's publicly traded Class A stock. After the post-closing adjustment, we anticipate that we will have an approximate 8% ownership interest on a fully diluted basis.

In connection with the Clearwire transaction, we entered into an agreement with Sprint that allows us to offer wireless services utilizing certain of Sprint's existing wireless networks and an agreement with Clearwire LLC that allows us to offer wireless services utilizing Clearwire's next generation wireless broadband network. We allocated a portion of our $1.05 billion investment to the related agreements.

We will account for our investment under the equity method and record our share of net income or loss one quarter in arrears. Clearwire LLC is expected to incur losses in the early years of operation, which under the equity method of accounting, will be reflected in our future operating results and reduce the cost basis of our investment. We evaluated our investment at December 31, 2008 to determine if an other than temporary decline in fair value below our cost basis had occurred. The primary input in estimating the fair value of our investment was the quoted market value of Clearwire publicly traded Class A shares at December 31, 2008, which declined significantly from the date of our initial agreement in May 2008. As a result of the severe decline in the quoted market value, we recognized an impairment in other income (expense) of $600 million to adjust our cost basis in our investment to its estimated fair value. In the future, our evaluation of other than temporary declines in fair value of our investment will include a comparison of actual operating results and updated forecasts to the projected discounted cash flows that were used in making our initial investment decision, other impairment indicators, such as changes in competition or technology, as well as a comparison to the value that would be obtained by exchanging our investment into Clearwire Corporation's publicly traded Class A shares.

Cost Method

AirTouch Communications, Inc.
We hold two series of preferred stock of AirTouch Communications, Inc. ("AirTouch"), a subsidiary of Vodafone, which are redeemable in April 2020. As of December 31, 2008 and 2007, the AirTouch preferred stock was recorded at $1.479 billion and $1.465 billion, respectively.

As of December 31, 2008, the estimated fair value of the AirTouch preferred stock was $1.357 billion, which is below our carrying amount. The recent decline in fair value is attributable to changes in interest rates. We have determined this decline to be temporary. The factors considered were the length of time and the extent to which the market value has been less than cost, the credit rating of AirTouch, and our intent and ability to retain the investment for a period of time sufficient to allow for recovery. Specifically, we expect to hold the two series of AirTouch preferred stock until their redemption in 2020.

The dividend and redemption activity of the AirTouch preferred stock determines the dividend and redemption payments associated with substantially all of the preferred shares issued by one of our consolidated subsidiaries, which is a VIE. The subsidiary has three series of preferred stock outstanding with an aggregate redemption value of $1.750 billion. Substantially all of the preferred shares are redeemable in April 2020 at a redemption value of $1.650 billion. As of December 31, 2008 and 2007, the two redeemable series of subsidiary preferred shares were recorded at $1.468 billion and $1.465 billion, respectively, and those amounts are included in other noncurrent liabilities. The one nonredeemable series of subsidiary preferred shares was recorded at $100 million as of both December 31, 2008 and 2007 and those amounts are included in minority interest on our consolidated balance sheet.

Investment Income (Loss), Net

Year ended December 31 (in millions)	2008	2007	2006
Gains on sales and exchanges of investments, net	**$ 8**	$ 151	$ 733
Investment impairment losses	**(28)**	(4)	(4)
Unrealized gains (losses) on trading securities and hedged items	**(1,117)**	315	339
Mark to market adjustments on derivatives related to trading securities and hedged items	**1,120**	(188)	(238)
Mark to market adjustments on derivatives	**57**	160	(18)
Interest and dividend income	**149**	199	212
Other	**(100)**	(32)	(34)
Investment income (loss), net	**$ 89**	$ 601	$ 990

In connection with the Adelphia and Time Warner transactions in 2006, we recognized total gains of approximately $646 million on the redemptions and the exchange of cable systems held by Century and Parnassos (see Note 5). These gains are included within the "Gains on sales and exchanges of investments, net" caption in the table above.

Note 7: Goodwill and Other Intangible Assets

The changes in the carrying amount of goodwill by business segment (see Note 16) are presented in the table below.

(in millions)	Cable	Programming	Corporate and Other	Total
Balance, December 31, 2006	$12,010	$1,441	$317	$13,768
Acquisitions	660	—	146	806
Settlements and adjustments	172	41	(82)	131
Balance, December 31, 2007	$12,842	$1,482	$381	$14,705
Acquisitions	306	139	209	654
Settlements and adjustments	(475)	(1)	6	(470)
Balance, December 31, 2008	**$12,673**	**$1,620**	**$596**	**$14,889**

Cable segment acquisitions in 2008 were primarily related to the Insight transaction and the acquisition of an additional interest in Comcast SportsNet Bay Area. Programming segment acquisitions in 2008 were primarily related to the acquisition of the remaining interest in G4 that we did not already own. Corporate and Other acquisitions in 2008 were primarily related to Internet-related business, including Plaxo and DailyCandy. Settlements and adjustments in 2008 were primarily related to the settlement of an uncertain tax position of an acquired entity (see Note 13).

Cable segment acquisitions in 2007 were primarily related to the Houston transaction, the acquisition of the cable system of Patriot Media and various smaller acquisitions. Corporate and Other acquisitions in 2007 were primarily related to the acquisition of Fandango. Settlements and adjustments in 2007 were primarily related to valuation refinements made in connection with the Adelphia and Time Warner transactions and the adoption of FIN 48.

The gross carrying amount and accumulated amortization of our intangible assets subject to amortization are presented in the table below.

		2008		2007	
December 31 (in millions)	Useful Life	**Gross Carrying Amount**	**Accumulated Amortization**	Gross Carrying Amount	Accumulated Amortization
Customer relationships	4-12 years	**$ 5,512**	**$(4,030)**	$ 5,466	$(3,694)
Cable and satellite television distribution rights	6-22 years	**1,533**	**(859)**	1,482	(702)
Cable franchise renewal costs and contractual operating rights	5-15 years	**1,154**	**(484)**	1,045	(377)
Computer software	3-5 years	**1,887**	**(1,045)**	1,445	(798)
Patents and other technology rights	3-12 years	**244**	**(119)**	225	(90)
Programming agreements and rights	1-10 years	**1,508**	**(1,303)**	1,199	(1,017)
Other agreements and rights	2-21 years	**880**	**(320)**	854	(299)
Total		**$12,718**	**$(8,160)**	$11,716	$(6,977)

The estimated expense for each of the next five years recognized in amortization expense and other accounts are presented in the table below. The amortization of certain intangible assets of our Programming segment are not recognized as amortization expense but as a reduction to revenue or as an operating expense and are presented under the caption "Other Accounts."

(in millions)	Amortization Expense	Other Accounts
2009	$987	$154
2010	$882	$ 94
2011	$748	$ 39
2012	$623	$ 23
2013	$389	$ 6

Note 8: Fair Value of Financial Assets and Financial Liabilities

Effective January 1, 2008, we adopted the provisions of SFAS No. 157 that relate to our financial assets and financial liabilities ("financial instruments") as discussed in Note 3. SFAS No. 157 establishes a hierarchy that prioritizes fair value measurements based on the types of inputs used for the various valuation techniques (market approach, income approach and cost approach). The levels of the hierarchy are described below:

- Level 1: consists of financial instruments whose value is based on quoted market prices for identical financial instruments in an active market
- Level 2: consists of financial instruments that are valued using models or other valuation methodologies. These models use inputs that are observable either directly or indirectly; Level 2 inputs include (i) quoted prices for similar assets or liabilities in active markets, (ii) quoted prices for identical or similar assets or liabilities in markets that are not active, (iii) pricing models whose inputs are observable for substantially the full term of the financial instrument and (iv) pricing models whose inputs are derived principally from or corroborated by observable market data through correlation or other means for substantially the full term of the financial instrument
- Level 3: consists of financial instruments whose values are determined using pricing models that utilize significant inputs that are primarily unobservable, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation

Our assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of financial instruments and their classification within the fair value hierarchy. As required by SFAS No. 157, financial instruments are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. There have been no changes in the classification of any financial instruments within the fair value hierarchy since our adoption of SFAS No. 157. Our financial instruments that are accounted for at fair value on a recurring basis are presented in the table below.

Recurring Fair Value Measures

	Fair value as of December 31, 2008			
(in millions)	Level 1	Level 2	Level 3	Total
Assets				
Trading securities	$932	$ —	$—	$ 932
Available-for-sale securities	7	3	—	10
Equity warrants	—	—	1	1
Cash surrender value of life insurance policies	—	147	—	147
Interest rate exchange agreements	—	291	—	291
	$939	**$ 441**	**$ 1**	**$1,381**
Liabilities				
Derivative component of indexed debt instruments	$ —	$ 23	$—	$ 23
Derivative component of prepaid forward sale agreements	—	(466)	—	(466)
Interest rate exchange agreements	—	1	—	1
	$ —	**$(442)**	**$—**	**$ (442)**

For the year ended December 31, 2008, the financial instruments measured at fair value on a nonrecurring basis are presented in the table below.

Nonrecurring Fair Value Measures

(in millions)	December 31, 2008	Level 1	Level 2	Level 3	Total Losses
Assets					
Equity method investments	**$421**	$—	$—	$421	$(600)

In accordance with Accounting Principles Board ("APB") No. 18, "The Equity Method of Accounting for Investments in Common Stock," we recognized an other than temporary impairment to other income (expense) of $600 million to adjust our cost basis in our investment in Clearwire LLC of approximately $1 billion to its estimated fair value (see Note 6). Our valuation methodology utilized a combination of the quoted market value of Clearwire Corporation's publicly traded Class A shares and unobservable inputs related to the ownership units of Clearwire LLC and the voting stock of Clearwire Corporation, including the use of discounted cash flow models. Our investment in Clearwire LLC is classified as a Level 3 financial instrument in accordance SFAS No. 157 in the fair value hierarchy, as a portion of the estimated fair value of the investment is based on unobservable inputs. We believe the estimated fair value is consistent with the underlying principle of SFAS No. 157, which is that the estimated fair value should represent the exit price from a marketplace participant's perspective.

Note 9: Long-Term Debt

December 31 (in millions)	Weighted Average Interest Rate as of December 31, 2008	2008	2007
Commercial paper	N/A	$ —	$ 300
Revolving bank credit facility due 2013	0.81%	**1,000**	—
Senior notes with maturities of 5 years or less	6.99%	**9,425**	6,895
Senior notes with maturities between 6 and 10 years	6.09%	**9,798**	11,429
Senior notes with maturities greater than 10 years	7.00%	**11,284**	11,435
Senior subordinated notes due 2012	10.63%	**202**	202
ZONES due 2029	2.00%	**408**	706
Other, including capital lease obligations	—	**339**	356
Total debt	6.44%[(a)]	**$ 32,456**	$ 31,323
Less: Current portion		**2,278**	1,495
Long-term debt		**$ 30,178**	$ 29,828

(a) Includes the effects of our derivative financial instruments.

As of December 31, 2008 and 2007, our debt had an estimated fair value of $32.001 billion and $32.565 billion, respectively. The estimated fair value of our publicly traded debt is based on quoted market values for the debt. To estimate the fair value of debt issuances for which there are no quoted market prices, we use interest rates available to us for debt issuances with similar terms and remaining maturities.

Some of our loan agreements require that we maintain certain financial ratios based on our debt and our operating income before depreciation and amortization. We were in compliance with all financial covenants for all periods presented. See Note 18 for a discussion of our subsidiary guarantee structures.

As of December 31, 2008 and 2007, accrued interest was $520 million and $546 million, respectively.

Debt Maturities

As of December 31, 2008 (in millions)	
2009	$ 2,278
2010	$ 1,183
2011	$ 1,810
2012	$ 853
2013	$ 4,768
Thereafter	$ 21,564

Debt Issuances and Borrowings

Year ended December 31, 2008 (in millions)	
Revolving bank credit facility due 2013	$ 1,510
5.70% notes due 2018	1,000
6.40% notes due 2038	1,000
Other, net	25
Total	$ 3,535

We used the net proceeds of these issuances and borrowings for the repayment of certain debt obligations, the repurchase of our common stock, the purchase of investments, working capital and general corporate purposes.

Debt Redemptions and Repayments

Year ended December 31, 2008 (in millions)	
Commercial paper	$ 300
Revolving bank credit facility due 2013	505
6.2% notes due 2008	800
7.625% notes due 2008	350
9.0% notes due 2008	300
ZONES due 2029	264
Other, net	91
Total	$ 2,610

Debt Instruments

Commercial Paper Program

Our commercial paper program provides a lower cost borrowing source of liquidity to fund our short-term working capital requirements. The program allows for a maximum of $2.25 billion of commercial paper to be issued at any one time. Our revolving bank credit facility supports this program. Amounts outstanding under the program are classified as long term in our consolidated balance sheet because we have both the ability and the intent to refinance these obligations, if necessary, on a long-term basis using funds available through our revolving bank credit facility.

Revolving Bank Credit Facility

In January 2008, we entered into an amended and restated revolving bank credit facility that may be used for general corporate purposes. This amendment increased the size of our existing revolving bank credit facility from $5.0 billion to $7.0 billion and extended the maturity of the loan commitment from October 2010 to January 2013. The base rate, chosen at our option, is either the London Interbank Offered Rate ("LIBOR") or the greater of the prime rate or the Federal Funds rate plus 0.5%. The borrowing margin is based on our senior unsecured debt ratings. As of December 31, 2008, the interest rate for borrowings under the credit facility was LIBOR plus 0.35%. In December 2008, we terminated a $200 million commitment to our credit facility by Lehman Brothers Bank, FSB ("Lehman") as a result of Lehman's default under a borrowing request. At a discounted value, we repaid Lehman's portion of our outstanding credit facility, along with accrued interest and fees. Subsequent to this termination, the size of the credit facility is $6.8 billion.

Lines and Letters of Credit

As of December 31, 2008, we and certain of our subsidiaries had unused lines of credit totaling $5.501 billion under various credit facilities and unused irrevocable standby letters of credit totaling $337 million to cover potential fundings under various agreements.

ZONES

At maturity, holders of our 2.0% Exchangeable Subordinated Debentures due 2029 (the "ZONES") are entitled to receive in cash an amount equal to the higher of the principal amount of the outstanding ZONES of $1.060 billion or the market value of approximately 14.1 million shares of Sprint Nextel common stock and approximately 0.7 million shares of Embarq common stock. Before maturity, each of the ZONES is exchangeable at the holder's option for an amount of cash equal to 95% of the aggregate market value of one share of Sprint Nextel common stock and 0.05 shares of Embarq common stock.

We separate the accounting for the ZONES into derivative and debt components. The following table presents the change in the carrying value of the debt component and the change in the fair value of the derivative component (see Note 6).

(in millions)	Debt Component	Derivative Component	Total
Balance as of January 1, 2008	$ 625	$ 81	$ 706
Change in debt component to interest expense	24	—	24
Change in derivative component to investment income (loss), net	—	(58)	(58)
Repurchases and retirements	(264)	—	(264)
Balance as of December 31, 2008	$ 385	$ 23	$ 408

Interest Rate Risk Management

We are exposed to the market risk of adverse changes in interest rates. To manage the volatility relating to these exposures, our policy is to maintain a mix of fixed-rate and variable-rate debt and to use interest rate derivative transactions.

Using swaps, we agree to exchange, at specified dates, the difference between fixed and variable interest amounts calculated by reference to an agreed-upon notional principal amount. The table below summarizes the terms of our existing swaps.

Fixed to Variable Swaps

December 31 (in millions)	2008	2007
Maturities	**2009-2018**	2008-2014
Notional amount	**$ 3,500**	$ 3,200
Average pay rate	**3.9%**	6.8%
Average receive rate	**5.8%**	5.9%
Estimated fair value	**$ 309**	$ 17

The notional amounts presented in the table above are used to measure interest to be paid or received and do not represent the amount of exposure to credit loss. The estimated fair value represents the approximate amount of proceeds or payments required to settle the contracts.

In 2008, 2007 and 2006, the effect of our interest rate derivative financial instruments was an (decrease) increase to our interest expense of approximately $(34) million, $43 million and $39 million, respectively.

Note 10: Postretirement, Pension and Other Employee Benefit Plans

The table below provides condensed information on our postretirement and pension benefit plans.

	2008		2007		2006	
Year ended December 31 (in millions)	**Postretirement Benefits**	**Pension Benefits**	Postretirement Benefits	Pension Benefits	Postretirement Benefits	Pension Benefits
Benefit obligation	**$ 338**	**$ 181**	$ 280	$ 179	$ 280	$ 184
Fair value of plan assets	**$ –**	**$ 152**	$ –	$ 157	$ –	$ 122
Plan funded status and recorded benefit obligation	**$ (338)**	**$ (29)**	$ (280)	$ (22)	$ (280)	$ (62)
Portion of benefit obligation not yet recognized in benefits expense	**$ (18)**	**$ 67**	$ (39)	$ 1	$ (4)	$ 12
Benefits expense	**$ 36**	**$ 1**	$ 34	$ 4	$ 29	$ 8
Discount rate	**6.15%**	**6.00%**	6.65%	6.25%	6.00%	5.75%
Expected return on plan assets	**N/A**	**8.00%**	N/A	8.00%	N/A	7.00%

Postretirement Benefit Plans

Our postretirement medical benefits cover substantially all of our employees who meet certain age and service requirements. The majority of eligible employees participate in the Comcast Postretirement Healthcare Stipend Program (the "stipend plan"), and a small number of eligible employees participate in legacy plans of acquired companies. The stipend plan provides an annual stipend for reimbursement of healthcare costs to each eligible employee based on years of service. Under the stipend plan, we are not exposed to the increasing costs of healthcare because the benefits are fixed at a predetermined amount.

Pension Benefit Plans

We sponsor two pension plans that together provide benefits to substantially all former employees of a previously acquired company. Future benefits for both plans have been frozen.

Other Employee Benefits

Deferred Compensation Plans

We maintain unfunded, nonqualified deferred compensation plans for certain members of management and nonemployee directors (each a "participant"). The amount of compensation deferred by each participant is based on participant elections. Participant accounts are credited with income primarily based on a fixed annual rate. Participants are eligible to receive distributions of the amounts credited to their account based on elected deferral periods that are consistent with the plans and applicable tax law. We have purchased life insurance policies to fund a portion of the unfunded obligation related to our deferred compensation plans. As of December 31, 2008 and 2007, the cash surrender value of these policies, which are recorded in other noncurrent assets, was approximately $147 million and $112 million, respectively.

Deferred Compensation Plans

Year ended December 31 (in millions)	2008	2007	2006
Benefit obligation	**$797**	$672	$554
Interest expense	**$ 76**	$ 65	$ 50

Split Dollar Life Insurance

We also have collateral assignment split-dollar life insurance agreements with select key employees that require us to bear certain insurance-related costs. Under some of these agreements, our obligation to provide benefits to the employees extends beyond retirement.

On January 1, 2008, in connection with the adoption of EITF 06-10, we adjusted beginning retained earnings and recorded a liability of $132 million for the present value of the postretirement benefit obligation related to our split-dollar life insurance agreements (see Note 3). As of December 31, 2008, this benefit obligation was $145 million. The related expenses were $24 million for the year ended December 31, 2008.

Retirement Investment Plans

We sponsor several 401(k) retirement plans that allow eligible employees to contribute a portion of their compensation through payroll deductions in accordance with specified guidelines. We match a percentage of the employees' contributions up to certain limits. For the years ended December 31, 2008, 2007 and 2006, expenses related to these plans amounted to $178 million, $150 million and $125 million, respectively.

Note 11: Stockholders' Equity

Common Stock

In the aggregate, holders of our Class A common stock have 66⅔% of the voting power of our common stock and holders of our Class B common stock have 33⅓% of the voting power of our common stock. Our Class A Special common stock is generally nonvoting. Each share of our Class B common stock is entitled to 15 votes. The number of votes held by each share of our Class A common stock depends on the number of shares of Class A and Class B common stock outstanding at any given time. The 33⅓% aggregate voting power of our Class B common stock cannot be diluted by additional issuances of any other class of common stock. Our Class B common stock is convertible, share for share, into Class A or Class A Special common stock, subject to certain restrictions.

Share Repurchase and Dividends

In 2007, our Board of Directors authorized a $7 billion addition to our existing share repurchase authorization. Under this authorization, we may repurchase shares in the open market or in private transactions, subject to market conditions. As of December 31, 2008, we had approximately $4.1 billion of availability remaining under our share repurchase authorization. We have previously indicated our plan to fully use our remaining share repurchase authorization by the end of 2009, subject to market conditions. However, due to difficult economic conditions and instability in the capital markets, it is unlikely we will complete our share repurchase authorization by the end of 2009 as previously planned. The table below shows our aggregate repurchases during 2008, 2007 and 2006.

Share Repurchases

(in millions)	2008	2007	2006
Aggregate consideration	**$2,800**	$3,102	$2,347
Shares repurchased	**141**	133	113

Our Board of Directors declared a dividend of $0.0625 per share for each quarter in 2008, totaling approximately $727 million, of which approximately $547 million was paid in 2008. We expect to continue to pay quarterly dividends, though each subsequent dividend is subject to approval by our Board of Directors. We did not declare or pay any cash dividends in 2007 or 2006.

Accumulated Other Comprehensive Income (Loss)

The table below presents our accumulated other comprehensive income (loss), net of taxes.

Year ended December 31 (in millions)	2008	2007
Unrealized gains (losses) on marketable securities	**$ 19**	$ 27
Unrealized gains (losses) on cash flow hedges	**(97)**	(110)
Unrealized gains (losses) on employee benefit obligations	**(31)**	24
Cumulative translation adjustments	**(4)**	3
Accumulated other comprehensive income (loss)	**$ (113)**	$ (56)

Unrealized losses on cash flow hedges in the table above relate to our interest rate lock agreements entered into to fix the interest rates of certain of our debt obligations in advance of their issuance. Unless we retire this debt early, these unrealized losses as of December 31, 2008 will be reclassified as an adjustment to interest expense over 9 years, the same period over which the related interest costs are recognized in earnings.

Note 12: Share-Based Compensation

Our Board of Directors may grant share-based awards, in the form of stock options and RSUs, to certain employees and directors. Additionally, through our employee stock purchase plan, employees are able to purchase shares of Comcast Class A stock at a discount through payroll deductions.

Recognized Share-Based Compensation Expense Under SFAS 123R

Year ended December 31 (in millions)	2008	2007	2006
Stock options	**$ 99**	$ 74	$120
Restricted share units	**96**	79	62
Employee stock purchase plan	**13**	11	8
Total	**$208**	$164	$190
Tax benefit	**$ 71**	$ 56	$ 66

As of December 31, 2008, we had unrecognized pretax compensation expense of $292 million and $279 million related to nonvested stock options and nonvested RSUs, respectively, that will be recognized over a weighted average period of approximately 2.0 years. The amount of share-based compensation capitalized was not material to our consolidated financial statements for the periods presented.

When stock options are exercised or RSU awards are settled through the issuance of shares, any income tax benefit realized in excess of the amount associated with compensation expense that was previously recognized for financial reporting purposes is presented as a financing activity rather than as an operating activity in our consolidated statement of cash flows. The excess cash income tax benefit classified as a financing cash inflow in 2008, 2007 and 2006 was approximately $15 million, $33 million and $33 million, respectively.

Option Plans

We maintain stock option plans for certain employees under which fixed-price stock options may be granted and the option price is generally not less than the fair value of a share of the underlying stock at the date of grant. Under our stock option plans, a combined total of approximately 226 million shares of our Class A and Class A Special common stock are reserved for the exercise of stock options, including those outstanding as of December 31, 2008. Option terms are generally 10 years, with options generally becoming exercisable between 2 and 9.5 years from the date of grant.

We use the Black-Scholes option pricing model to estimate the fair value of each stock option on the date of grant. The Black-Scholes option pricing model uses the assumptions summarized in the table below. Dividend yield is based on the yield at the date of grant. Expected volatility is based on a blend of implied and historical volatility of our Class A common stock. The risk-free rate is based on the U.S. Treasury yield curve in effect at the date of grant. We use historical data on the exercise of stock options and other factors expected to impact holders' behavior to estimate the expected term of the options granted. The table below summarizes the weighted-average fair values at the date of grant of a Class A common stock option granted under our stock option plans and the related weighted-average valuation assumptions.

Stock Option Fair Value and Significant Assumptions

	2008	2007	2006
Fair value	**$ 6.47**	$ 9.61	$ 7.30
Dividend yield	**1.3%**	0%	0%
Expected volatility	**32.8%**	24.3%	26.9%
Risk-free interest rate	**3.0%**	4.5%	4.8%
Expected option life (in years)	**7.0**	7.0	7.0

In 2007, we began granting net settled stock options instead of stock options exercised with a cash payment ("cash settled stock options"). In net settled stock options, an employee receives the number of shares equal to the number of options being exercised less the number of shares necessary to satisfy the cost to exercise the options and, if applicable, taxes due on exercise based on the fair value of the shares at the exercise date. The change to net settled stock options will result in fewer shares being issued and no cash proceeds being received by us when a net settled option is exercised. Following the change, we offered employees the opportunity to modify their outstanding stock options from cash settled to net settled. The modifications that were made did not result in any additional compensation expense.

2008 Stock Option Activity

	Cash Settled Options (in thousands)	Net Settled Options (in thousands)	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in millions)
Class A Common Stock					
Outstanding as of January 1, 2008	56,272	62,246	$ 25.07		
Modified (cash-settled to net-settled)	(505)	505	$ 19.14		
Granted	—	24,728	$ 18.98		
Exercised	(2,254)	(1,245)	$ 18.10		
Forfeited	(986)	(2,911)	$ 21.16		
Expired	(6,216)	(2,408)	$ 36.84		
Outstanding as of December 31, 2008	46,311	80,915	$ 23.41	5.6	$ 2.1
Weighted-average exercise price, as of December 31, 2008	$ 25.91	$ 21.96			
Exercisable as of December 31, 2008	38,598	27,937	$ 25.89	3.5	$ 1.1
Weighted-average exercise price, as of December 31, 2008	$ 27.38	$ 23.83			
Class A Special Common Stock					
Outstanding as of January 1, 2008	15,206	41,396	$ 22.41		
Modified (cash-settled to net-settled)	(962)	962	$ 27.89		
Exercised	(1,747)	(5,679)	$ 11.29		
Forfeited	(11)	(2)	$ 23.44		
Expired	(815)	(79)	$ 24.41		
Outstanding as of December 31, 2008	11,671	36,598	$ 24.08	2.0	$ 2.6
Weighted-average exercise price, as of December 31, 2008	$ 23.34	$ 24.32			
Exercisable as of December 31, 2008	11,232	32,489	$ 24.15	1.9	$ 2.3
Weighted-average exercise price, as of December 31, 2008	$ 23.47	$ 24.39			

Cash received from cash settled options exercised during the year ended December 31, 2008 was $49 million.

The table below summarizes information on exercised stock options.

Year ended December 31 (in millions)	**2008**	2007	2006
Intrinsic value of options exercised	**$ 85**	$ 171	$ 180
Tax benefit of options exercised	**$ 30**	$ 58	$ 62

The stock option information above does not include 9.0 million stock options outstanding, with a weighted average exercise price of $31.41 per share, for the year ended December 31, 2008. These stock options were issued under a stock option liquidity program in 2005 and will expire by the end of 2012.

We also maintain a deferred stock option plan for certain employees and directors that provided the optionees with the opportunity to defer the receipt of shares of Class A or Class A Special common stock that would otherwise be deliverable when the stock options are exercised. As of December 31, 2008, approximately 2.0 million shares of Class A Special common stock were issuable under exercised options, the receipt of which was irrevocably deferred by the optionees under the deferred stock option plan.

Restricted Stock Plan

We maintain a restricted stock plan under which certain employees and directors ("participants") may be granted RSU awards in units of Class A or Class A Special common stock. Under the restricted stock plan, a combined total of approximately 50 million shares of our Class A and Class A Special common stock are reserved for issuance, including those outstanding as of December 31, 2008. RSUs, which are valued based on the closing price on the date of grant and discounted for the lack of dividends, if any, during the vesting period, entitle participants to receive, at the time of vesting, one share of common stock for each RSU. The awards vest annually, generally over a period not to exceed 5 years, and do not have voting or dividend rights.

The table below summarizes the weighted-average fair value at the date of grant of the RSUs.

	2008	2007	2006
Weighted-average fair value	**$ 18.06**	$ 25.65	$ 19.98

2008 Restricted Stock Plan Activity

	Nonvested Restricted Share Unit Awards (in thousands)	Weighted-Average Grant Date Fair Value
Class A Common Stock		
Nonvested awards as of January 1, 2008	**16,456**	$ 21.97
Granted	**8,652**	$ 18.06
Vested	**(3,342)**	$ 21.64
Forfeited	**(1,430)**	$ 20.87
Nonvested awards as of December 31, 2008	**20,336**	**$ 19.64**

The table below summarizes information on vested RSUs.

Year ended December 31 (in millions)	**2008**	2007	2006
Fair value of RSUs vested	**$ 65**	$ 75	$ 32
Tax benefit of RSUs vested	**$ 23**	$ 24	$ 9

The restricted stock plan also provides certain employees and directors the opportunity to defer the receipt of shares of Class A or Class A Special common stock that would otherwise be deliverable when their RSUs vest. As of December 31, 2008, approximately 941,000 and 89,000 shares of Class A common stock and Class A Special common stock, respectively, were issuable under vested RSU awards, the receipt of which was irrevocably deferred by participants.

Employee Stock Purchase Plan

We maintain an employee stock purchase plan that offers employees the opportunity to purchase shares of Class A common stock at a 15% discount. We recognize the fair value of the discount associated with shares purchased under the plan as share-based compensation expense in accordance with SFAS No. 123R. The employee cost associated with participation in the plan was satisfied with payroll withholdings of approximately $50 million, $48 million and $35 million in 2008, 2007 and 2006, respectively.

Note 13: Income Taxes

Components of Income Tax (Expense) Benefit

Year ended December 31 (in millions)	**2008**	2007	2006
Current (expense) benefit			
Federal	**$ (751)**	$ (1,280)	$ (887)
State	**(287)**	(273)	(77)
	(1,038)	(1,553)	(964)
Deferred (expense) benefit			
Federal	**(547)**	(128)	(301)
State	**52**	(119)	(82)
	(495)	(247)	(383)
Income tax (expense) benefit	**$ (1,533)**	$ (1,800)	$ (1,347)

Our income tax expense differs from the federal statutory amount because of the effect of the items detailed in the table below.

Year ended December 31 (in millions)	**2008**	2007	2006
Federal tax at statutory rate	**$ (1,420)**	$ (1,522)	$ (1,258)
State income taxes, net of federal benefit	**(45)**	(153)	(132)
Nondeductible losses from joint ventures and equity in net (losses) income of affiliates, net	**1**	3	18
Adjustments to uncertain and effectively settled tax positions	**(34)**	(35)	93
Accrued interest on uncertain and effectively settled tax positions	**(65)**	(110)	64
Other	**30**	17	(132)
Income tax expense	**$ (1,533)**	$ (1,800)	$ (1,347)

Components of Net Deferred Tax Liability

December 31 (in millions)	2008	2007
Deferred Tax Assets:		
Net operating loss carryforwards	**$ 220**	$ 252
Differences between book and tax basis of long-term debt	**153**	163
Nondeductible accruals and other	**1,351**	1,225
	1,724	1,640
Deferred Tax Liabilities:		
Differences between book and tax basis of property and equipment and intangible assets	**27,354**	25,935
Differences between book and tax basis of investments	**588**	1,542
Differences between book and tax basis of indexed debt securities	**472**	829
	28,414	28,306
Net deferred tax liability	**$ 26,690**	$ 26,666

Changes in net deferred income tax liabilities in 2008 that were not recorded as deferred income tax expense relate to reductions in deferred income tax liabilities of $79 million associated with acquisition-related purchase price allocations, of $365 million related to the settlement of an uncertain tax position of an acquired entity and of $27 million associated with items included in other comprehensive income (loss).

Net deferred tax assets included in current assets are primarily related to our current investments and current liabilities. As of December 31, 2008, we had federal net operating loss carryforwards of $229 million and various state net operating loss carryforwards that expire in periods through 2028. The determination of the state net operating loss carryforwards is dependent on our subsidiaries' taxable income or loss, apportionment percentages, and state laws that can change from year to year and impact the amount of such carryforwards.

In 2008, 2007 and 2006, income tax benefits attributable to share-based compensation of approximately $28 million, $49 million and $60 million, respectively, were allocated to stockholders' equity.

Uncertain Tax Positions

We adopted FIN 48 on January 1, 2007, at which time we recorded a cumulative effect adjustment increasing retained earnings by $60 million. Our uncertain tax positions as of December 31, 2008 totaled $1.45 billion, excluding the federal benefits on state tax positions that have been recorded as deferred income taxes. If we were to recognize the tax benefit for such positions in the future, approximately $1.2 billion would impact our effective tax rate with the remaining amount impacting deferred income taxes.

Reconciliation of Unrecognized Tax Benefits

(in millions)	2008	2007
Balance as of January 1	**$ 1,921**	$ 2,099
Additions based on tax positions related to the current year	**55**	65
Additions based on tax positions related to prior years	**30**	18
Reductions for tax positions of prior years	**(411)**	(157)
Reductions due to expiration of statute of limitations	**(3)**	(3)
Settlements with taxing authorities	**(142)**	(101)
Balance as of December 31	**$ 1,450**	$ 1,921

As of December 31, 2008 and 2007, we had accrued approximately $787 million and $766 million, respectively, of interest associated with our uncertain tax positions.

During 2008, we recognized approximately $411 million of income tax benefits as a result of the settlement of an uncertain tax position of an acquired entity. The tax position related to the deductibility of certain costs incurred in connection with a business acquisition. The primary impacts of the settlement were reductions to our deferred income tax and other long-term liabilities of approximately $542 million, a reduction to goodwill of approximately $477 million and a reduction to income tax expense of approximately $65 million.

We are litigating an uncertain tax position which is scheduled for trial in October 2009. As a result, it is reasonably possible that our uncertain tax positions could significantly change within the next 12 months. We are unable to estimate the range of possible change.

During 2007, the Internal Revenue Service ("IRS") completed its examination of our income tax returns for the years 2000 through 2004. The IRS proposed certain adjustments that relate primarily to certain financing transactions. We are currently disputing those proposed adjustments, but if the adjustments are sustained, they would not have a material impact on our effective tax rate. The IRS is currently examining our 2005 and 2006 tax returns and various states are currently conducting examinations of our income tax returns for years through 2007. In addition, the statutes of limitations could expire for certain of our tax returns over the next 12 months, which could result in decreases to our uncertain tax positions. These adjustments are not expected to have a material impact on our effective tax rate.

Note 14: Statement of Cash Flows — Supplemental Information

Cash Payments for Interest and Income Taxes

Year ended December 31 (in millions)	2008	2007	2006
Interest	**$ 2,256**	$ 2,134	$ 1,880
Income taxes	**$ 762**	$ 1,638	$ 1,284

Noncash Financing and Investing Activities
During 2008, we:

- exchanged our 50% interest in the Insight asset pool for Insight's 50% interest in the Comcast asset pool, which is a noncash investing activity
- recorded a liability of approximately $180 million for a quarterly cash dividend of $0.0625 per common share paid in January 2009, which is a noncash financing activity
- acquired approximately $559 million of property and equipment and software that are accrued but unpaid, which is a noncash investing activity
- issued an interest in a consolidated entity with a value of approximately $145 million in exchange for certain programming rights, which is a noncash investing activity

During 2007, we:

- exchanged our 50% interest in the Kansas City asset pool for TWC's 50% interest in the Houston asset pool, which is a noncash investing activity
- settled the remaining outstanding $49 million face amount of exchangeable notes by delivering approximately 1.8 million of the 2.2 million underlying Vodafone ADRs to the counterparty, which is a noncash financing and investing activity
- entered into capital leases totaling $46 million, which is a noncash investing and financing activity
- acquired approximately $593 million of property and equipment and software that are accrued but unpaid, which is a noncash investing activity

During 2006, we:

- exchanged investments for cable systems in the redemptions with a fair value of approximately $3.2 billion and cable systems for cable systems in the exchanges with a fair value of approximately $8.5 billion, which are noncash investing activities
- acquired an additional equity interest with a fair value of $21 million and recorded a liability for a corresponding amount in connection with our achievement of certain customer launch milestones, which is a noncash investing and operating activity
- assumed a $185 million principal amount variable-rate term loan in connection with the Susquehanna transaction, which is a noncash financing and investing activity
- acquired approximately $314 million of property and equipment and software that are accrued but unpaid, which is a noncash investing activity

Note 15: Commitments and Contingencies

Commitments
Our programming networks have entered into license agreements for programs and sporting events that are available for telecast. In addition, we, through Comcast Spectacor, have employment agreements with both players and coaches of our professional sports teams. Certain of these employment agreements, which provide for payments that are guaranteed regardless of employee injury or termination, are covered by disability insurance if certain conditions are met.

One of our subsidiaries supports debt compliance with respect to obligations of a cable television investment in which we hold an ownership interest. The obligation expires March 2011. Although there can be no assurance, we believe that we will not be required to meet our obligation under such commitment. The total notional amount of our commitment was $410 million as of December 31, 2008, at which time there were no quoted market prices for similar agreements. This amount reflects a decrease of approximately $555 million from December 31, 2007, primarily as a result of the Insight transaction (see Note 5).

The table below summarizes our minimum annual commitments under the programming license agreements of our programming networks and regional sports networks and our minimum annual rental commitments for office space, equipment and transponder service agreements under noncancelable operating leases.

As of December 31, 2008 (in millions)	Program License Agreements	Operating Leases
2009	$ 559	$ 385
2010	$ 593	$ 317
2011	$ 578	$ 225
2012	$ 510	$ 176
2013	$ 516	$ 152
Thereafter	$ 5,145	$ 833

The following table summarizes our rental expense and programming license expense charged to operations:

Year ended December 31 (in millions)	2008	2007	2006
Rental expense	**$ 436**	$ 358	$ 273
Programming license expense	**$ 548**	$ 484	$ 350

Contingencies

We and the minority owner group in Comcast Spectacor each have the right to initiate an exit process under which the fair market value of Comcast Spectacor would be determined by appraisal. Following such determination, we would have the option to acquire the 24.3% interest in Comcast Spectacor owned by the minority owner group based on the appraised fair market value. In the event we do not exercise this option, we and the minority owner group would then be required to use our best efforts to sell Comcast Spectacor. This exit process includes the minority owner group's interest in Comcast SportsNet (Philadelphia).

The minority owners in certain of our technology development ventures also have rights to trigger an exit process after a certain period of time based on the fair value of the entities at the time the exit process is triggered.

Antitrust Cases

We are defendants in two purported class actions originally filed in December 2003 in the United States District Courts for the District of Massachusetts and the Eastern District of Pennsylvania. The potential class in the Massachusetts case is our subscriber base in the "Boston Cluster" area, and the potential class in the Pennsylvania case is our subscriber base in the "Philadelphia and Chicago Clusters," as those terms are defined in the complaints. In each case, the plaintiffs allege that certain subscriber exchange transactions with other cable providers resulted in unlawful horizontal market restraints in those areas and seek damages under antitrust statutes, including treble damages.

Our motion to dismiss the Pennsylvania case on the pleadings was denied in December 2006 and classes of Philadelphia Cluster and Chicago Cluster subscribers were certified in May 2007 and October 2007, respectively. Our motion to dismiss the Massachusetts case, which was transferred to the Eastern District of Pennsylvania in December 2006, was denied in July 2007. We are proceeding with discovery on plaintiffs' claims concerning the Philadelphia Cluster. Plaintiffs' claims concerning the other two clusters are stayed pending determination of the Philadelphia Cluster claims.

In addition, we are among the defendants in a purported class action filed in the United States District Court for the Central District of California ("Central District") in September 2007. The plaintiffs allege that the defendants who produce video programming have entered into agreements with the defendants who distribute video programming via cable and satellite (including us, among others), which preclude the distributors from reselling channels to subscribers on an "unbundled" basis in violation of federal antitrust laws. The plaintiffs seek treble damages for the loss of their ability to pick and choose the specific "bundled" channels to which they wish to subscribe, and injunctive relief requiring each distributor defendant to resell certain channels to its subscribers on an "unbundled" basis. The potential class is comprised of all persons residing in the United States who have subscribed to an expanded basic level of video service provided by one of the distributor defendants. We and the other defendants filed motions to dismiss an amended complaint in April 2008. In June 2008, the Central District denied the motions to dismiss. In July 2008, we and the other defendants filed motions to certify certain issues decided in the Central District's June 2008 order for interlocutory appeal to the Ninth Circuit Court of Appeals. On August 8, 2008, the Central District denied the certification motions. In January 2009, the Central District approved a stipulation between the parties dismissing the action as to one of the two plaintiffs identified in the amended complaint as a Comcast subscriber. Discovery relevant to plaintiffs' anticipated motion for class certification is currently proceeding, with plaintiffs scheduled to file their class certification motion in April 2009.

Securities and Related Litigation

We and several of our current and former officers were named as defendants in a purported class action lawsuit filed in the United States District Court for the Eastern District of Pennsylvania ("Eastern District") in January 2008. We filed a motion to dismiss the case in February 2008. The plaintiff did not respond, but instead sought leave to amend the complaint, which the court granted. The plaintiff filed an amended complaint in May 2008 naming only us and two current officers as defendants. The alleged class was comprised of purchasers of our publicly issued securities between February 1, 2007 and December 4, 2007. The plaintiff asserted that during the alleged class period, the defendants violated federal securities laws through alleged material misstatements and omissions relating to forecast results for 2007. The plaintiff sought unspecified damages. In June 2008, we filed a motion to dismiss the amended complaint. In an order dated August 25, 2008, the Court granted our motion to dismiss and denied the plaintiff permission to amend the complaint again. The plaintiff has not timely appealed the Court's decision, so the dismissal of this case is final.

We and several of our current officers have been named as defendants in a separate purported class action lawsuit filed in the Eastern District in February 2008. The alleged class comprises participants in our retirement-investment (401(k)) plan that invested in the plan's company stock account. The plaintiff asserts that the defendants breached their fiduciary duties in managing the plan. The plaintiff seeks unspecified damages. The plaintiff filed an amended complaint in June 2008, and in July 2008 we filed a motion to dismiss the amended complaint. On October 29, 2008, the Court granted in part and denied in part that motion. The Court dismissed a claim alleging that defendants failed to provide complete and accurate disclosures concerning the plan, but did not dismiss claims alleging that plan assets were imprudently invested in company stock. We filed an answer to the amended complaint on December 11, 2008, and discovery is proceeding in the action.

Patent Litigation

We are a defendant in several unrelated lawsuits claiming infringement of various patents relating to various aspects of our businesses. In certain of these cases other industry participants are also defendants, and also in certain of these cases we expect that any potential liability would be in part or in whole the responsibility of our equipment vendors under applicable contractual indemnification provisions.

* * *

We believe the claims in each of the actions described above in this item are without merit and intend to defend the actions vigorously. Although we cannot predict the outcome of any of the actions described above or how the final resolution of any such actions would impact our results of operations or cash flows for any one period or our consolidated financial condition, the final disposition of any of the above actions is not expected to have a material adverse effect on our consolidated financial position, but could possibly be material to our consolidated results of operations or cash flows for any one period.

Other

We are subject to other legal proceedings and claims that arise in the ordinary course of our business. While the amount of ultimate liability with respect to such actions is not expected to materially affect our financial position, results of operations or cash flows, any litigation resulting from any such legal proceedings or claims could be time consuming, costly and injure our reputation.

Note 16: Financial Data by Business Segment

Our reportable segments consist of our Cable and Programming businesses. In evaluating the profitability of our segments, the components of net income (loss) below operating income (loss) before depreciation and amortization are not separately evaluated by our management. Assets are not allocated to segments for management reporting although approximately 95% of our assets relate to the Cable segment. Our financial data by business segment is presented in the table below.

(in millions)	Cable[(a)(b)]	Programming[(c)]	Corporate and Other[(d)(e)]	Eliminations[(e)(f)]	Total
2008					
Revenue[(g)]	**$ 32,443**	**$ 1,426**	**$ 644**	**$ (257)**	**$ 34,256**
Operating income (loss) before depreciation and amortization[(h)]	**13,170**	**362**	**(399)**	**(1)**	**13,132**
Depreciation and amortization	**6,125**	**199**	**107**	**(31)**	**6,400**
Operating income (loss)	**7,045**	**163**	**(506)**	**30**	**6,732**
Capital expenditures	**5,545**	**44**	**161**	**—**	**5,750**
2007					
Revenue[(g)]	$ 29,305	$ 1,314	$ 515	$ (239)	$ 30,895
Operating income (loss) before depreciation and amortization[(h)]	11,922	286	(425)	3	11,786
Depreciation and amortization	5,924	223	100	(39)	6,208
Operating income (loss)	5,998	63	(525)	42	5,578
Capital expenditures	5,993	35	130	—	6,158
2006					
Revenue[(g)]	$ 24,042	$ 1,054	$ 412	$ (542)	$ 24,966
Operating income (loss) before depreciation and amortization[(h)]	9,667	239	(318)	(146)	9,442
Depreciation and amortization	4,657	167	79	(80)	4,823
Operating income (loss)	5,010	72	(397)	(66)	4,619
Capital expenditures	4,244	16	31	104	4,395

(a) For the years ended December 31, 2008, 2007 and 2006, Cable segment revenue was derived from the following services:

	2008	2007	2006
Video	58.0%	60.4%	62.6%
High-speed Internet	22.3%	21.9%	20.6%
Phone	8.2%	6.0%	3.8%
Advertising	4.7%	5.2%	6.1%
Franchise fees	2.8%	2.8%	3.0%
Other	4.0%	3.7%	3.9%
Total	100.0%	100.0%	100.0%

Subscription revenue received from customers who purchase bundled services at a discounted rate is allocated proportionally to each service based on the individual service's price on a stand-alone basis.

(b) Our Cable segment includes our regional sports networks.

(c) Our Programming segment consists primarily of our consolidated national programming networks, including E!, Golf Channel, VERSUS, G4 and Style.

(d) Corporate and Other activities include Comcast Interactive Media, Comcast Spectacor, a portion of operating results of our less than wholly owned technology development ventures (see "(e)" below), corporate activities and all other businesses not presented in our Cable or Programming segments.

(e) We consolidate our less than wholly owned technology development ventures that we control or of which we are considered the primary beneficiary. These ventures are with various corporate partners, such as Motorola and Gemstar. The ventures have been created to share the costs of development of new technologies for set-top boxes and other devices. The results of these entities are included within Corporate and Other except for cost allocations, which are made to the Cable segment based on our percentage ownership in each entity.

(f) Included in the Eliminations column are transactions that our segments enter into with one another. The most common types of transactions are the following:
- our Programming segment generates revenue by selling cable network programming to our Cable segment, which represents a substantial majority of the revenue elimination amount
- our Cable segment receives incentives offered by our Programming segment when negotiating programming contracts that are recorded as a reduction of programming expenses
- our Cable segment generates revenue by selling advertising and by selling the use of satellite feeds to our Programming segment
- our Cable segment generates revenue by providing network services to Comcast Interactive Media

(g) Non-U.S. revenue was not significant in any period. No single customer accounted for a significant amount of our revenue in any period.

(h) To measure the performance of our operating segments, we use operating income before depreciation and amortization, excluding impairments related to fixed and intangible assets, and gains or losses from the sale of assets, if any. This measure eliminates the significant level of noncash depreciation and amortization expense that results from the capital-intensive nature of our businesses and from intangible assets recognized in business combinations. It is also unaffected by our capital structure or investment activities. We use this measure to evaluate our consolidated operating performance, the operating performance of our operating segments, and to allocate resources and capital to our operating segments. It is also a significant performance measure in our annual incentive compensation programs. We believe that this measure is useful to investors because it is one of the bases for comparing our operating performance with other companies in our industries, although our measure may not be directly comparable to similar measures used by other companies. This measure should not be considered a substitute for operating income (loss), net income (loss), net cash provided by operating activities or other measures of performance or liquidity reported in accordance with GAAP.

Note 17: Quarterly Financial Information (Unaudited)

(in millions, except per share data)	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Year
2008					
Revenue	**$ 8,389**	**$ 8,553**	**$ 8,549**	**$ 8,765**	**$ 34,256**
Operating income	**$ 1,555**	**$ 1,750**	**$ 1,670**	**$ 1,757**	**$ 6,732**
Net income	**$ 732**	**$ 632**	**$ 771**	**$ 412**	**$ 2,547**
Basic earnings per common share	**$ 0.24**	**$ 0.21**	**$ 0.26**	**$ 0.14**	**$ 0.87**
Diluted earnings per common share	**$ 0.24**	**$ 0.21**	**$ 0.26**	**$ 0.14**	**$ 0.86**
Dividends declared per common share	**$ 0.0625**	**$ 0.0625**	**$ 0.0625**	**$ 0.0625**	**$ 0.25**
2007					
Revenue	$ 7,388	$ 7,712	$ 7,781	$ 8,014	$ 30,895
Operating income	$ 1,261	$ 1,468	$ 1,391	$ 1,458	$ 5,578
Net income	$ 837	$ 588	$ 560	$ 602	$ 2,587
Basic earnings per common share	$ 0.27	$ 0.19	$ 0.18	$ 0.20	$ 0.84
Diluted earnings per common share	$ 0.26	$ 0.19	$ 0.18	$ 0.20	$ 0.83
Dividends declared per common share	$ —	$ —	$ —	$ —	$ —

Note 18: Condensed Consolidating Financial Information

Comcast Corporation and five of our cable holding company subsidiaries, Comcast Cable Communications, LLC ("CCCL"), Comcast Cable Communications Holdings, Inc. ("CCCH"), Comcast MO Group, Inc. ("Comcast MO Group"), Comcast Cable Holdings, LLC ("CCH") and Comcast MO of Delaware, LLC ("Comcast MO of Delaware"), have fully and unconditionally guaranteed each other's debt securities. Comcast MO Group, CCH and Comcast MO of Delaware are collectively referred to as the "Combined CCHMO Parents."

Comcast Corporation has unconditionally guaranteed Comcast Holdings' ZONES due October 2029 and its $10^5/_8$% Senior Subordinated Debentures due 2012. Our condensed consolidating financial information is presented in the tables below.

Condensed Consolidating Balance Sheet
As of December 31, 2008

(in millions)	Comcast Parent	CCCL Parent	CCCH Parent	Combined CCHMO Parents	Comcast Holdings	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
Assets								
Cash and cash equivalents	$ —	$ —	$ —	$ —	$ —	$ 1,195	$ —	$ 1,195
Investments	—	—	—	—	—	59	—	59
Accounts receivable, net	—	—	—	—	—	1,626	—	1,626
Other current assets	171	8	—	—	—	657	—	836
Total current assets	171	8	—	—	—	3,537	—	3,716
Investments	—	—	—	—	—	4,783	—	4,783
Investments in and amounts due from subsidiaries eliminated upon consolidation	70,076	34,499	43,536	46,314	26,519	4,471	(225,415)	—
Property and equipment, net	306	—	—	—	—	24,138	—	24,444
Franchise rights	—	—	—	—	—	59,449	—	59,449
Goodwill	—	—	—	—	—	14,889	—	14,889
Other intangible assets, net	1	—	—	—	—	4,557	—	4,558
Other noncurrent assets, net	603	7	14	—	17	537	—	1,178
Total assets	**$ 71,157**	**$ 34,514**	**$ 43,550**	**$ 46,314**	**$ 26,536**	**$ 116,361**	**$ (225,415)**	**$ 113,017**
Liabilities and Stockholders' Equity								
Accounts payable and accrued expenses related to trade creditors	$ 196	$ —	$ —	$ —	$ —	$ 3,197	$ —	$ 3,393
Accrued expenses and other current liabilities	810	224	73	87	129	1,945	—	3,268
Current portion of long-term debt	1,242	1,006	—	—	—	30	—	2,278
Total current liabilities	2,248	1,230	73	87	129	5,172	—	8,939
Long-term debt, less current portion	19,839	2,294	4,462	2,691	610	282	—	30,178
Deferred income taxes	7,160	—	—	—	656	19,166	—	26,982
Other noncurrent liabilities	1,460	—	—	—	119	4,592	—	6,171
Minority interest	—	—	—	—	—	297	—	297
Stockholders' Equity								
Common stock	33	—	—	—	—	—	—	33
Other stockholders' equity	40,417	30,990	39,015	43,536	25,022	86,852	(225,415)	40,417
Total stockholders' equity	40,450	30,990	39,015	43,536	25,022	86,852	(225,415)	40,450
Total liabilities and stockholders' equity	**$ 71,157**	**$ 34,514**	**$ 43,550**	**$ 46,314**	**$ 26,536**	**$ 116,361**	**$ (225,415)**	**$ 113,017**

Condensed Consolidating Balance Sheet

As of December 31, 2007

(in millions)	Comcast Parent	CCCL Parent	CCCH Parent	Combined CCHMO Parents	Comcast Holdings	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
Assets								
Cash and cash equivalents	$ —	$ —	$ —	$ —	$ —	$ 963	$ —	$ 963
Investments	—	—	—	—	—	98	—	98
Accounts receivable, net	—	—	—	—	—	1,645	—	1,645
Other current assets	100	—	—	—	—	861	—	961
Total current assets	100	—	—	—	—	3,567	—	3,667
Investments	—	—	—	—	—	7,963	—	7,963
Investments in and amounts due from subsidiaries eliminated upon consolidation	67,903	32,760	40,240	43,356	25,815	2,244	(212,318)	—
Property and equipment, net	208	—	—	—	—	23,416	—	23,624
Franchise rights	—	—	—	—	—	58,077	—	58,077
Goodwill	—	—	—	—	—	14,705	—	14,705
Other intangible assets, net	—	—	—	—	—	4,739	—	4,739
Other noncurrent assets, net	281	11	17	—	30	303	—	642
Total assets	**$ 68,492**	**$ 32,771**	**$ 40,257**	**$ 43,356**	**$ 25,845**	**$ 115,014**	**$ (212,318)**	**$ 113,417**
Liabilities and Stockholders' Equity								
Accounts payable and accrued expenses related to trade creditors	$ 10	$ 3	$ —	$ —	$ —	$ 3,323	$ —	$ 3,336
Accrued expenses and other current liabilities	694	267	75	98	74	1,913	—	3,121
Current portion of long-term debt	—	1,142	—	305	—	48	—	1,495
Total current liabilities	704	1,412	75	403	74	5,284	—	7,952
Long-term debt, less current portion	19,133	3,294	3,498	2,713	908	282	—	29,828
Deferred income taxes	6,256	—	—	—	1,015	19,609	—	26,880
Other noncurrent liabilities	1,059	6	—	—	116	5,986	—	7,167
Minority interest	—	—	—	—	—	250	—	250
Stockholders' Equity								
Common stock	34	—	—	—	—	—	—	34
Other stockholders' equity	41,306	28,059	36,684	40,240	23,732	83,603	(212,318)	41,306
Total stockholders' equity	41,340	28,059	36,684	40,240	23,732	83,603	(212,318)	41,340
Total liabilities and stockholders' equity	**$ 68,492**	**$ 32,771**	**$ 40,257**	**$ 43,356**	**$ 25,845**	**$ 115,014**	**$ (212,318)**	**$ 113,417**

Condensed Consolidating Statement of Operations

For the Year Ended December 31, 2008

(in millions)	Comcast Parent	CCCL Parent	CCCH Parent	Combined CCHMO Parents	Comcast Holdings	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
Revenue								
Service revenue	$ —	$ —	$ —	$ —	$ —	$ 34,256	$ —	$34,256
Management fee revenue	735	226	413	413	—	—	(1,787)	—
	735	226	413	413	—	34,256	(1,787)	34,256
Costs and Expenses								
Operating (excluding depreciation)	—	—	—	—	—	13,472	—	13,472
Selling, general and administrative	358	226	413	413	53	7,976	(1,787)	7,652
Depreciation	23	—	—	—	—	5,434	—	5,457
Amortization	—	—	—	—	—	943	—	943
	381	226	413	413	53	27,825	(1,787)	27,524
Operating income (loss)	354	—	—	—	(53)	6,431	—	6,732
Other Income (Expense)								
Interest expense	(1,307)	(298)	(334)	(212)	(146)	(142)	—	(2,439)
Investment income (loss), net	(40)	—	—	—	57	72	—	89
Equity in net income (losses) of affiliates	3,196	1,712	2,704	2,842	1,455	24	(11,972)	(39)
Other income (expense)	(5)	—	—	—	—	(280)	—	(285)
	1,844	1,414	2,370	2,630	1,366	(326)	(11,972)	(2,674)
Income (loss) from continuing operations before income taxes and minority interest	2,198	1,414	2,370	2,630	1,313	6,105	(11,972)	4,058
Income tax (expense) benefit	349	104	117	74	50	(2,227)	—	(1,533)
Income (loss) from continuing operations before minority interest	2,547	1,518	2,487	2,704	1,363	3,878	(11,972)	2,525
Minority interest	—	—	—	—	—	22	—	22
Net income (loss)	**$ 2,547**	**$ 1,518**	**$ 2,487**	**$ 2,704**	**$ 1,363**	**$ 3,900**	**$ (11,972)**	**$ 2,547**

Condensed Consolidating Statement of Operations
For the Year Ended December 31, 2007

(in millions)	Comcast Parent	CCCL Parent	CCCH Parent	Combined CCHMO Parents	Comcast Holdings	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
Revenue								
Service revenue	$ —	$ —	$ —	$ —	$ —	$30,895	$ —	$ 30,895
Management fee revenue	630	213	338	338	—	—	(1,519)	—
	630	213	338	338	—	30,895	(1,519)	30,895
Costs and Expenses								
Operating (excluding depreciation)	—	—	—	—	—	12,169	—	12,169
Selling, general and administrative	297	213	338	338	17	7,256	(1,519)	6,940
Depreciation	6	—	—	—	—	5,101	—	5,107
Amortization	—	—	—	—	—	1,101	—	1,101
	303	213	338	338	17	25,627	(1,519)	25,317
Operating income (loss)	327	—	—	—	(17)	5,268	—	5,578
Other Income (Expense)								
Interest expense	(1,116)	(363)	(321)	(234)	(95)	(160)	—	(2,289)
Investment income (loss), net	7	—	5	—	70	519	—	601
Equity in net income (losses) of affiliates	3,095	1,551	2,274	2,427	1,305	(52)	(10,663)	(63)
Other income (expense)	1	—	—	—	—	521	—	522
	1,987	1,188	1,958	2,193	1,280	828	(10,663)	(1,229)
Income (loss) from continuing operations before income taxes and minority interest	2,314	1,188	1,958	2,193	1,263	6,096	(10,663)	4,349
Income tax (expense) benefit	273	128	112	81	15	(2,409)	—	(1,800)
Income (loss) from continuing operations before minority interest	2,587	1,316	2,070	2,274	1,278	3,687	(10,663)	2,549
Minority interest	—	—	—	—	—	38	—	38
Net income (loss)	**$ 2,587**	**$ 1,316**	**$ 2,070**	**$ 2,274**	**$ 1,278**	**$ 3,725**	**$ (10,663)**	**$ 2,587**

Condensed Consolidating Statement of Operations

For the Year Ended December 31, 2006

(in millions)	Comcast Parent	CCCL Parent	CCCH Parent	Combined CCHMO Parents	Comcast Holdings	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
Revenue								
Service revenue	$ —	$ —	$ —	$ —	$ —	$ 24,966	$ —	$ 24,966
Management fee revenue	526	193	298	298	8	—	(1,323)	—
	526	193	298	298	8	24,966	(1,323)	24,966
Costs and Expenses								
Operating (excluding depreciation)	—	—	—	—	—	9,819	—	9,819
Selling, general and administrative	256	193	298	298	16	5,967	(1,323)	5,705
Depreciation	8	—	—	—	2	3,818	—	3,828
Amortization	—	—	—	—	4	991	—	995
	264	193	298	298	22	20,595	(1,323)	20,347
Operating income (loss)	262	—	—	—	(14)	4,371	—	4,619
Other Income (Expense)								
Interest expense	(776)	(400)	(325)	(259)	(68)	(236)	—	(2,064)
Investment income (loss), net	—	—	—	—	34	956	—	990
Equity in net income (losses) of affiliates	2,867	1,509	1,900	2,069	1,266	(79)	(9,597)	(65)
Other income (expense)	—	—	—	—	—	114	—	114
	2,091	1,109	1,575	1,810	1,232	755	(9,597)	(1,025)
Income (loss) from continuing operations before income taxes and minority interest	2,353	1,109	1,575	1,810	1,218	5,126	(9,597)	3,594
Income tax (expense) benefit	180	143	114	90	26	(1,900)	—	(1,347)
Income (loss) from continuing operations before minority interest	2,533	1,252	1,689	1,900	1,244	3,226	(9,597)	2,247
Minority interest	—	—	—	—	—	(12)	—	(12)
Income (loss) from continuing operations	2,533	1,252	1,689	1,900	1,244	3,214	(9,597)	2,235
Income from discontinued operations, net of tax	—	—	—	—	—	103	—	103
Gain on discontinued operations, net of tax	—	—	—	—	—	195	—	195
Net income (loss)	**$ 2,533**	**$ 1,252**	**$ 1,689**	**$ 1,900**	**$ 1,244**	**$ 3,512**	**$ (9,597)**	**$ 2,533**

Condensed Consolidating Statement of Cash Flows
For the Year Ended December 31, 2008

(in millions)	Comcast Parent	CCCL Parent	CCCH Parent	Combined CCHMO Parents	Comcast Holdings	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
Operating Activities								
Net cash provided by (used in) operating activities	$ (446)	$ (241)	$ (200)	$ (175)	$ 9	$ 11,284	$ —	$ 10,231
Financing Activities								
Proceeds from borrowings	1,998	—	1,510	—	—	27	—	3,535
Retirements and repayments of debt	(308)	(1,150)	(541)	(300)	(263)	(48)	—	(2,610)
Repurchases of common stock	(2,800)	—	—	—	—	—	—	(2,800)
Dividends paid	(547)	—	—	—	—	—	—	(547)
Issuances of common stock	53	—	—	—	—	—	—	53
Other	(3)	—	—	—	(56)	(94)	—	(153)
Net cash provided by (used in) financing activities	(1,607)	(1,150)	969	(300)	(319)	(115)	—	(2,522)
Investing Activities								
Net transactions with affiliates	2,269	1,391	(769)	475	310	(3,676)	—	—
Capital expenditures	(140)	—	—	—	—	(5,610)	—	(5,750)
Cash paid for intangible assets	—	—	—	—	—	(527)	—	(527)
Acquisitions, net of cash acquired	—	—	—	—	—	(738)	—	(738)
Proceeds from sales of investments	—	—	—	—	—	737	—	737
Purchases of investments	—	—	—	—	—	(1,167)	—	(1,167)
Other	(76)	—	—	—	—	44	—	(32)
Net cash provided by (used in) investing activities	2,053	1,391	(769)	475	310	(10,937)	—	(7,477)
Increase (decrease) in cash and cash equivalents	—	—	—	—	—	232	—	232
Cash and cash equivalents, beginning of period	—	—	—	—	—	963	—	963
Cash and cash equivalents, end of period	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ 1,195**	**$ —**	**$ 1,195**

Condensed Consolidating Statement of Cash Flows
For the Year Ended December 31, 2007

(in millions)	Comcast Parent	CCCL Parent	CCCH Parent	Combined CCHMO Parents	Comcast Holdings	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
Operating Activities								
Net cash provided by (used in) operating activities	$ (516)	$ (246)	$ (199)	$ (186)	$ (20)	$ 9,356	$ —	$ 8,189
Financing Activities								
Proceeds from borrowings	3,695	—	—	—	—	18	—	3,713
Retirements and repayments of debt	—	(600)	—	(245)	—	(556)	—	(1,401)
Repurchases of common stock	(3,102)	—	—	—	—	—	—	(3,102)
Issuances of common stock	412	—	—	—	—	—	—	412
Other	(12)	—	—	(8)	—	82	—	62
Net cash provided by (used in) financing activities	993	(600)	—	(253)	—	(456)	—	(316)
Investing Activities								
Net transactions with affiliates	(372)	846	199	439	20	(1,132)	—	—
Capital expenditures	(110)	—	—	—	—	(6,048)	—	(6,158)
Cash paid for intangible assets	—	—	—	—	—	(406)	—	(406)
Acquisitions, net of cash acquired	—	—	—	—	—	(1,319)	—	(1,319)
Proceeds from sales of investments	—	—	—	—	—	1,761	—	1,761
Purchases of investments	—	—	—	—	—	(2,089)	—	(2,089)
Other	(72)	—	—	—	—	134	—	62
Net cash provided by (used in) investing activities	(554)	846	199	439	20	(9,099)	—	(8,149)
Increase (decrease) in cash and cash equivalents	(77)	—	—	—	—	(199)	—	(276)
Cash and cash equivalents, beginning of period	77	—	—	—	—	1,162	—	1,239
Cash and cash equivalents, end of period	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ 963**	**$ —**	**$ 963**

Condensed Consolidating Statement of Cash Flows
For the Year Ended December 31, 2006

(in millions)	Comcast Parent	CCCL Parent	CCCH Parent	Combined CCHMO Parents	Comcast Holdings	Non-Guarantor Subsidiaries	Elimination and Consolidation Adjustments	Consolidated Comcast Corporation
Operating Activities								
Net cash provided by (used in) operating activities	$ 90	$ (240)	$ (226)	$ (224)	$ 20	$ 7,198	$ —	$ 6,618
Financing Activities								
Proceeds from borrowings	7,474	—	—	—	—	23	—	7,497
Retirements and repayments of debt	(350)	(619)	—	(988)	(27)	(55)	—	(2,039)
Repurchases of common stock	(2,347)	—	—	—	—	—	—	(2,347)
Issuances of common stock	410	—	—	—	—	—	—	410
Other	33	—	—	—	—	(8)	—	25
Net cash provided by (used in) financing activities	5,220	(619)	—	(988)	(27)	(40)	—	3,546
Investing Activities								
Net transactions with affiliates	(5,272)	859	226	1,212	(3)	2,978	—	—
Capital expenditures	(8)	—	—	—	—	(4,387)	—	(4,395)
Cash paid for intangible assets	—	—	—	—	—	(306)	—	(306)
Acquisitions, net of cash acquired	—	—	—	—	—	(5,110)	—	(5,110)
Proceeds from sales of investments	47	—	—	—	10	2,663	—	2,720
Purchases of investments	—	—	—	—	—	(2,812)	—	(2,812)
Other	—	—	—	—	—	31	—	31
Net cash provided by (used in) investing activities	(5,233)	859	226	1,212	7	(6,943)	—	(9,872)
Increase (decrease) in cash and cash equivalents	77	—	—	—	—	215	—	292
Cash and cash equivalents, beginning of period	—	—	—	—	—	947	—	947
Cash and cash equivalents, end of period	**$ 77**	**$ —**	**$ —**	**$ —**	**$ —**	**$ 1,162**	**$ —**	**$ 1,239**

EXHIBIT C

SUMMARY OF EXPERIENCE OF KEY PERSONNEL

Comcast Key Technical Management Personnel

Catherine Avgiris
Senior Vice President and General Manager of Voice Services
Comcast

Catherine Avgiris, Senior Vice President and General Manager of Voice Services, oversees all aspects of the voice business, including the Company's aggressive rollout of its interconnected voice over Internet protocol ("VoIP") service, Comcast Digital Voice®, now available to more than 46 million homes. Under Cathy's leadership, Comcast grown to become the largest competitive (non-ILEC) facilities-based voice provider in the country as well as the fourth-largest residential voice service provider in the U.S., milestones achieved in less than three years since introducing Comcast Digital Voice.

A 15-year veteran of the communications industry, Cathy's influence extends far beyond her success with the launch of Comcast Digital Voice. From 2003 to 2005, she served as the Senior Vice President of Finance for Comcast Cable and managed all financial and administrative activity for Comcast Online and Voice services. Prior to that, Cathy transformed the circuit-switched telephone business acquired from AT&T Broadband into a profitable and efficient business, making Comcast one of the largest non-Bell, facilities-based competitive local telephone providers in the U.S. Previously, Cathy helped formulate and execute a launch strategy that grew Comcast's High-Speed Internet business from 150,000 customers to the nation's largest ISP. Cathy began her career in the communications industry as a Regional Vice President of Finance and Operations managing cable systems in excess of 500,000 subscribers and helped execute one of the first digital cable launches for Comcast.

A graduate of Baruch College, Cathy holds a B.A. in Accounting and is a Certified Public Accountant in New York and Pennsylvania. Cathy is a member of the Accenture Women's Leadership Forum and Forum for Executive Women, and serves in leadership roles with the Women in Cable and Telecommunications (WICT) Philadelphia chapter. She also is president of the Ladies Philoptochos Nausica Organization. Cathy was named one of the "Top 15 Women in Business" by *PINK Magazine*, a national magazine for professional women, and has been honored with WICT's Liberty Award and as one of *Cableworld*'s "Most Powerful Women in Cable" and *Multichannel News*' "Wonder Women."

William Solis
Vice President of Voice Service Delivery Operations

William Solis is the Vice President of Voice Service Delivery Operations. He is responsible for supporting service repair and provisioning activities for all Comcast voice service operations, including its regulated telecommunications service and interconnected voice over Internet protocol ("VoIP") service offerings.

Mr. Solis holds a Bachelor of Science degree in Civil Engineering from Michigan Technological University. He is a licensed professional engineer in the state of Colorado. He has been with Comcast and its predecessor companies for over 15 years. Mr. Solis has held a variety of executive, operational, provisioning, project management, and customer service positions supporting both commercial business and residential customers. He began his telecommunications career with Teleport Communications Group, which was subsequently purchased by AT&T. In 2000, Mr. Solis moved from AT&T Local Services to AT&T Broadband as Vice President to support national provisioning of AT&T Broadband's circuit-switched residential voice services. In 2004, following the acquisition of AT&T Broadband by Comcast, in addition to continuing to support provisioning and fulfillment activities of Comcast's existing circuit-switched and growing residential VoIP businesses, Mr. Solis oversaw network planning and interconnection transport engineering and access ordering, switch configuration planning and implementation, the legal demand center, customer voice billing operations, and carrier management departments.

EXHIBIT D

PROPOSED TARIFF

TERMS, CONDITIONS, RATES AND CHARGES

Applying to the provision of

INTEREXCHANGE SERVICES

within the State of

SOUTH DAKOTA

The Title Page and Pages 1 through 34 inclusive of this Tariff are effective as of the date shown on the respective page.

PAGE	REVISION	PAGE	REVISION
Title	Original	29	Original
1	Original	30	Original
2	Original	31	Original
3	Original	32	Original
4	Original	33	Original
5	Original	34	Original
6	Original		
7	Original		
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19	Original		
20	Original		
21	Original		
22	Original		
23	Original		
24	Original		
25	Original		
26	Original		
27	Original		
28	Original		

TABLE OF CONTENTS

CONCURRING CARRIERS

None

CONNECTING CARRIERS

None

OTHER PARTICIPATING CARRIERS

None

EXPLANATION OF SYMBOLS

(C) To signify **changed** condition or regulation.

(D) To signify **discontinued** material.

(I) To signify a rate **increase**.

(M) To signify material **moved** from or to another part of the Tariff with no change, unless there is another change symbol present.

(N) To signify **new** material.

(R) To signify a rate **reduction**.

(T) To signify a change in **text** but no change to rate or charge.

(Z) To signify a correction.

TARIFF FORMAT

A. **Page Numbering** - Page numbers appear in the upper right corner of the page. Pages are numbered sequentially. However, occasionally, when a new page is added between pages already in effect, a decimal is added. For example, a new page added between pages 14 and 15 would be 14.1.

B. **Page Revision Numbers** - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current page version on file with the Commission. For example, the 4th revised Page 14 cancels the 3rd Revised Page 14. Because of various suspension periods, deferrals, etc. the Commission follows in their Tariff approval process, the most current page number on file with the Commission is not always the page in effect. Consult the Check Sheet for the page currently in effect.

C. **Paragraph Numbering Sequence** - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

2.
2.1.
2.1.1.
2.1.1.A.
2.1.1.A.1.
2.1.1.A.1.a
2.1.1.A.1.a(1)
2.1.1.A.1.a(1)(a)
[1] Footnote

D. **Check Sheets** - When a Tariff filing is made with the Commission, an updated Check Sheet accompanies the Tariff filing. The Check Sheet lists the pages contained in the Tariff with a cross reference to the current revision number. When new pages are added, the Check Sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on this sheet if these are the only changes made to it (i.e., the format, etc., remains the same, just revised revision levels on some pages). The Tariff user should refer to the latest Check Sheet to find if a particular page is the most current on file with the Commission.

APPLICATION OF TARIFF

This Tariff contains the rates, terms, and conditions applicable to the provision of specialized resold intrastate interexchange common carrier telecommunications services by Comcast Phone, LLC d/b/a Comcast Digital Phone between various locations within the State of South Dakota. All services are interstate offerings. Intrastate services contained in the Tariff are available only if the Customer subscribes to the Company's interstate Service.

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

2.1 GENERAL

2.1.1 DEFINITION OF TERMS

Authorized User:

A person, firm, corporation or other entity that either is authorized by the Customer to use local exchange Service or is placed in a position by the Customer, either through acts or omissions, to use local exchange service.

Business Service:

A service that conforms to one or more of the following criteria:

- used primarily for paid commercial, professional or institutional activity; or
- the service is situated in a commercial, professional or institutional location, or other location serving primarily or substantially as a site of an activity for pay; or
- the service number is listed as the principal or only number for a business in any telecommunications directory; or
- the service is used to conduct promotions, solicitations, or market research for which compensation or reimbursement is paid or provided. However, such use of service, without compensation or reimbursement, for a charitable or civic purpose will not constitute business use of service unless other criteria apply.

Called Station:

The terminating point of a call (i.e., the called number).

Calling Card:

A card issued by Company containing such account numbers assigned to its Customer which enables the charges for calls made to be properly billed on a pre-arranged basis.

Commission:

The South Dakota Public Utilities Commission

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

2.1 GENERAL

2.1.1 DEFINITION OF TERMS (CONT'D)

Carrier or Common Carrier:

Any individual, partnership, association, corporation or other entity engaged in intrastate communication for hire by wire or radio between two or more exchanges.

Company:

Comcast Phone of South Dakota, LLC d/b/a Comcast Digital Phone, the issuer of this Tariff.

Customer:

The person, firm, corporation or other entity, which orders or uses service and is responsible for payment of charges and compliance with Tariff regulation.

Dedicated Access:

Non-switched access between a customer's premises and the point of presence of the Company's underlying carrier.

Disconnect or Disconnection (of a call):

The termination of a circuit connection between the originating station and the called station or the Company's operator.

Disconnect, Disconnection, Discontinue or Discontinuance (of Service):

The permanent cessation of Company provided services pursuant to the terms and conditions of this Tariff and applicable Commission rules.

Interexchange Carrier:

A Company which furnishes interLATA intrastate long distance telecommunications service.

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

2.1 GENERAL
2.1.1 DEFINITION OF TERMS (CONT'D)

Measured Service:

The provision of long distance measured time communications telephone service to Customers who access the Company's service at its contracted interexchange carriers' switching and call processing equipment by means of access facilities obtained from local exchange common carrier(s). Company contracted interexchange carrier is responsible for arranging the access lines.

Point of Presence:

The point of physical interconnection between the local exchange company's local network and the interexchange carrier's network ("POP").

Premises:

A building or buildings or contiguous property, not separated by a public highway or right-of-way.

Residential Service:

A service which does not meet the definition of a business service and conforms to the following criteria:

- the use of the service is primarily and substantially of a social or domestic nature; and
- service is located in a residence, or in the case of a combined business and residential premises, the service is located in the residential section of the premises.

Service(s):

The intrastate long distance services provided by the Company pursuant to the terms, conditions and rates in this Tariff.

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

2.1 GENERAL
2.1.1 DEFINITION OF TERMS (CONT'D)

Subscriber

See "Customer" definition.

User:

Any person or entity that obtains the Company's services provided under this Tariff, regardless of whether such person or entity is so authorized by the Customer.

"800" (Toll Free) Number:

An interexchange service offered pursuant to this Tariff for which the called party is assigned a unique 800-NXX-XXXX, 888-NXX-XXXX, 877-NXX-XXXX number, 866-NXX-XXXX or 855-NXX-XXX, or any other NPA, and is billed for calls terminating at that number.

SECTION 2 - RULES AND REGULATIONS

2.1. UNDERTAKING OF THE COMPANY

2.1.1. GENERAL

A. Company's services are furnished for telecommunications originating and/or terminating in any area between points within the State of South Dakota.

B. Company is a provider of interexchange telecommunications to Customers for direct transmission and reception of voice, data, and other types of communications.

C. Company resells access, switching, transport and termination services provided by interexchange carriers.

D. Customer's monthly charges for Company's service are based on the total time Customer actually uses the service.

E. Subject to availability, the Customer may use authorization codes to identify the users or user groups on an account. The numerical composition of the codes shall be set by Company to assure compatibility with the Company's accounting and billing systems and to avoid the duplication of codes.

F. The Company's services are provided on a monthly basis unless otherwise provided, and are available twenty-four (24) hours per day, seven (7) days per week.

SECTION 2 - RULES AND REGULATIONS (CONT'D)

2.2. LIMITATIONS AND USE

2.2.1. LIMITATIONS

A. Service is offered subject to availability of the necessary facilities and/or equipment and subject to the provisions of this Tariff.

B. Company reserves the right to immediately disconnect service when necessitated by conditions beyond the company's control or when the Customer is using the service in violation of either the provisions of this Tariff or the laws, rules, regulations, or policies of the jurisdiction of the originating station or terminating station, or the laws of the United States including rules, regulations and policies of the Commission.

C. The Company does not undertake to transmit messages, but offers the use of its facilities when available.

D. Title to all facilities provided by Company under these regulations remains in Company's name.

E. Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this Tariff shall apply to all such permitted assignees or transferees, as well as all conditions of service.

SECTION 2 - RULES AND REGULATIONS

2.2. LIMITATIONS AND USE
2.2.1. LIMITATIONS (CONT'D)

F. Service is offered subject to availability of the necessary facilities and/or equipment and subject to the provisions of this Tariff.

G. Company reserves the right to immediately disconnect service when necessitated by conditions beyond the company's control or when the Customer is using the service in violation of either the provisions of this Tariff or the laws, rules, regulations, or policies of the jurisdiction of the originating station or terminating station, or the laws of the United States including rules, regulations and policies of the Commission.

H. The Company does not undertake to transmit messages, but offers the use of its facilities when available.

I. Title to all facilities provided by Company under these regulations remains in Company's name.

J. Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this Tariff shall apply to all such permitted assignees or transferees, as well as all conditions of service.

SECTION 2 - RULES AND REGULATIONS

2.2. LIMITATIONS AND USE (CONT'D)

2.2.2. USE

A. Service may be used for the transmission of communications by the Customer.

B. Service may not be used for any unlawful purpose or for any purpose for which any payment or other compensation is received by the Customer, except when the Customer is a duly authorized and regulated common carrier. This provision does not prohibit an arrangement between the Customer, authorized user or joint user to share the cost of service.

C. The Company strictly prohibits use of the Company's services without payment or an avoidance of payment by the Customer by fraudulent means or devices including providing falsified calling card numbers or invalid calling card numbers to the Company, providing falsified or invalid credit card numbers to the Company or in any way misrepresenting the identity of the Customer.

SECTION 2 - RULES AND REGULATIONS (CONT'D)

2.3. LIABILITIES AND RESPONSIBILITIES

2.3.1. LIABILITIES OF THE COMPANY

A. The liability of the Company for damages arising out of mistakes, omissions, interruptions, delays, errors, or defects in transmission occurring in the course of furnishing service or other facilities and not caused by the negligence of the Customer, commences upon activation of service and in no event exceeds an amount equivalent to the proportionate charge to the Customer for the period of service during which such mistakes, omissions, interruptions, delays, errors, or defects in transmission occur. In no event will the Company be responsible for consequential damages for lost profits suffered by a Customer or end user as the result of interrupted or unsatisfactory service. For the purpose of computing such amount a month is considered to have 30 days.

B. Company shall be indemnified and held harmless by the Customer against:

1. Claims for libel, slander, infringement of copyright or unauthorized use of any trademark, trade name or service mark arising out of the material, data, information or other content transmitted over company's facilities; and

2. Claims for patent infringement arising from combining or connecting company's facilities with apparatus and systems of the Customer; and

3. All other claims arising out of any act or omission of the Customer in connection with any service provided by Company.

C. The Company is not liable for any defacement of, or damage to, the equipment or premises of a Customer resulting from the furnishing of services when such defacement or damage is not the result of the Company's negligence.

D. Company shall not be liable for and the Customer indemnifies and holds harmless from any and all loss claims, demands, suits, or other actions or liabilities whatsoever, whether suffered, made, instituted or asserted by the Customer or by any other party or person, for any personal injury to, death of any person or persons, and for any loss, damage, defacement or destruction of the premises of the Customer or any other property, whether owned by the Customer or by others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal, presence, condition, location or use of equipment or wiring provided by company where such installation, operation, failure to operate, maintenance, condition, location or use is not the direct result of the Company's negligence.

SECTION 2 - RULES AND REGULATIONS

2.3. LIABILITIES AND RESPONSIBILITIES
2.3.1. LIABILITIES OF THE COMPANY (CONT'D)

E. The Company is not liable for any failure of performance hereunder due to causes beyond its control, including, but not limited to, unavoidable interruption in the working of its circuits or those of another common carrier; acts of God, storms, fire, floods, or other catastrophes; any law, order, regulation, direction, action, or request of the United States Government, or any other governmental entity having jurisdiction over the company or of any department, agency, commission, bureau, corporation, or other instrumentality or any one or more of such instrumentality or any one or more of such governmental entities, or of any civil or military authority; national emergencies, insurrections, riots, rebellions, wars, strikes, lockouts, work stoppages, or other labor difficulties; or notwithstanding anything in this Tariff to the contrary, the unlawful acts of the Company's agents and employees, if committed beyond the scope of their employment.

F. The Company shall not be liable for damages or adjustments, refunds, or cancellation of charges unless the Customer has notified the Company, in writing, of any dispute concerning charges, or the basis of any claim for damages, after the invoice is rendered by the Company for the call giving rise to such dispute or claim, unless ordered by the Commission pursuant to South Dakota law or Commission regulations. Any such notice must set forth sufficient facts to provide the Company with a reasonable basis upon which to evaluate the Customer's claims or demands.

G. The Company shall not be liable for any damages, including usage charges, that the Customer may incur as a result of the unauthorized use of its communications equipment. The unauthorized use of the Customer's communications equipment includes, but is not limited to, the placement of calls from the Customer's premises and the placement of calls through Customer-controlled or Customer-provisioned equipment that are transmitted or carried over the Company's network services without the authorization of the Customer. The Customer shall be fully liable for all such charges.

H. No agents or employees of connecting, concurring or other participating carriers or companies shall be deemed to be agents or employees of the Company without written authorization.

I. The Company will use reasonable efforts to make available Services to a Customer on or before a particular date, subject to the provisions of, and compliance by the Customer with, the regulations contained in this Tariff. The Company does not guarantee availability by any such date and will not be liable for any delays in commencing Service to any Customer.

SECTION 2 - RULES AND REGULATIONS

2.3. LIABILITIES AND RESPONSIBILITIES (Cont'd)
2.3.2. CUSTOMER RESPONSIBILITIES

A. The Customer is responsible for the payment of all charges for Service furnished to the Customer and for all additional charges for calls the Customer elects to continue making.

B. The Customer is responsible for compliance with applicable regulations set forth in this Tariff.

C. The name(s) of the Customer(s) desiring to use the Service must be properly verified.

D. The Customer agrees to return to the Company within five (5) days of termination of Service all Company-provided equipment. All returned equipment must be in the same condition as when delivered to the Customer by the Company, upon demand, for any costs incurred by the Company due to Customer's failure to comply with this provision.

E. The Customer is responsible for establishing its identity as often as necessary during the course of the call or when seeking credits from the Company.

F. Customer shall provide and maintain at its own expense terminal equipment on the Customer's premise and the electric power consumed by such equipment. The Customer is responsible for the provision of wiring or cable to connect its terminal equipment to the Company's Point of Connection.

G. The Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltage and currents impressed on Company-provided equipment and wiring by the connection, operations, or maintenance of such equipment and wiring shall be such as not to cause damage to Company-provided equipment and wiring or injury to Company's employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by Company at the Customer's expense.

SECTION 2 - RULES AND REGULATIONS

2.3. LIABILITIES AND RESPONSIBILITIES
2.3.2. CUSTOMER RESPONSIBILITIES (CONT'D)

H. In the event Company incurs fees or expenses, including attorney's fees, to collect; or attempt to collect, any charges owed Company by Customer, including charges alleged to have resulted from fraud or abuse of Customer's Service, the Company shall charge customer all such fees and expenses, including Company's reasonable attorney's fees, incurred to collect or to attempt to collect its charges, and Company shall be entitled to recover such fees or expenses irrespective of whether it prevails in any legal action brought to collect its charges, all in accordance with and subject to the following additional legal requirements.

I. In accordance with the "filed tariff doctrine," as established by judicial and regulatory decisions and precedents, Customer shall pay all charges due and owing irrespective of any claims of loss, liability, set off, damages, or other claims against Company to which customer may claim to be entitled, the duty to pay such charges shall arise upon the demand for payment by Company and shall not be delayed or deferred by the commencement of any legal or equitable action by either customer or Company in connection with such charges incurred under this Tariff.

J. The Customer is responsible for damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer or of any User; or by the noncompliance by the Customer or any User, with these regulations; or by fire or theft or other casualty on the Customer Premises or the Premises of any User, unless caused by the negligence or willful misconduct of the employees or agents of the Company.

K. The Customer is responsible for providing, at no charge, as specified from time to time by the Company, any needed equipment, space and power to operate Company facilities and equipment installed on the Premises of the Customer, and the level of heating and air conditioning necessary to maintain the proper operating environment on such Premises.

SECTION 2 - RULES AND REGULATIONS

2.3. LIABILITIES AND RESPONSIBILITIES
2.3.2. CUSTOMER RESPONSIBILITIES (CONT'D)

L. The Customer is responsible for obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduit necessary for installation of transmission facilities and associated equipment used to provide Services to the Customer from the cable building entrance or property line to the location of the building equipment space. Any and all costs associated with the obtaining and maintaining rights-of-way described herein, including the costs of altering the structure to permit installation of the Company provided facilities, shall be borne entirely by, or may be charged by the Company, to the Customer. The Company may require the Customer to demonstrate its compliance with this Section prior to accepting an order for Service.

M. The Customer is responsible for providing a safe place to work and complying with all laws and regulations regarding the working conditions on the Premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company employees or property might result from installation or maintenance by the Company. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g., friable asbestos) prior to any construction or installation work.

N. The Customer is responsible for complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the locations of Company facilities and equipment in any Customer Premises or the rights-of-way for which Customer is responsible under other provisions of this Tariff.

O. The Customer is responsible for not creating, or allowing to be placed, any liens or other encumbrances on the Company's equipment or facilities.

P. The Customer is responsible for making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance will be made for the period during which Service is interrupted for such purposes.

SECTION 2 - RULES AND REGULATIONS

2.3. LIABILITIES AND RESPONSIBILITIES
2.3.2. CUSTOMER RESPONSIBILITIES (CONT'D)

Q. The Customer shall be responsible for making arrangements or obtaining permission for safe and reasonable access for Company employees or agents of the Company, at times mutually acceptable to Company and Customer, to enter the Premises of the Customer or any joint User or Customer of the Customer at any reasonable hour for the purpose of inspecting, repairing, testing or removing any part of the Company's facilities, without charge to the Company;

R. The Customer is responsible for notifying Company of any interruptions of Service.

S. The Customer is responsible for placing any necessary orders; for complying with Tariff regulations; for the placement of any stickers or tent cards provided by the Company or as required by law; and for assuring that Users comply with Tariff regulations. The Customer shall ensure compliance with any applicable laws, regulations, orders or other requirements (as they exist from time to time) of any governmental entity relating to Services provided or made available by the Customer to Users. The Customer is also responsible for the payment of all charges for calls originated at the Customer's numbers.

T. The Customer is responsible for charges incurred for special construction and/or special facilities which the Customer requests and which are ordered by the Company on the Customer's behalf.

SECTION 2 - RULES AND REGULATIONS (CONT'D)

2.4. EQUIPMENT AND FACILITIES

2.4.1 GENERAL

A. The Company will use reasonable efforts to maintain the facilities that it furnishes to the Customer. The Customer may not, nor may the Customer permit others to rearrange, disconnect, remove, attempt to repair or otherwise interfere with any of the facilities installed by the Company, except upon written consent by the Company.

B. Equipment installed at the Customer Premises for use in connections with the Services the Company offers shall not be used for any purposes other than that for which the Company has provided the equipment.

C. The Company will not be responsible for the installation, operation or maintenance of any Customer-provided communications equipment. Where Customer-provisioned equipment is connected to the facilities furnished under this Tariff, the responsibility of the Company will be limited to the furnishing of facilities offered pursuant to this Tariff. Beyond this responsibility, the Company will not be responsible for:

1. The transmission of signals by Customer-provided equipment or for the quality of, or defects in, such transmission; or

2. the reception of signals by Customer-provided equipment; or

3. network control signaling when performed by Customer-provided network control signaling equipment.

D. At the request of the Customer, installation or maintenance may be performed outside of the Company's regular business hours or in hazardous locations. In such cases, charges based on cost of the actual labor, material or other costs incurred by or charged by the Company will apply. If installation or maintenance is started during regular business hours, but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays and/or night hours, additional charges may apply.

SECTION 2 - RULES AND REGULATIONS (CONT'D)

2.5. CANCELLATION AND DISCONTINUANCE OF SERVICE

2.5.1 INTERRUPTION OF SERVICE

A. Credit allowance for interruptions of service which are not due to Company's testing or adjusting, to the negligence of the Customer, or to the failure of channels, equipment and/or communications equipment provided by the Customer, are subject to the general liability provisions set forth in Section 2.4, herein. It shall be the obligation of the Customer to notify Company of any interruptions of service. Before giving such notice, the Customer shall ascertain that the trouble is not being caused by any action or omission of the Customer, not within the Customer's control.

B. No credit allowances will be allowed for an interruption of services for continuous duration of less than two hours.

C. The subscriber shall be credited for an interruption of two hours or more at the rate of 1/160th for each hour over two (2) such hours of interruption up to a maximum of 6/160th multiplied by the average monthly usage bill of the Customer. If service is activated for less than one (1) month, the monthly usage amount shall be determined by extending the actual usage for the days of service to thirty (30) days.

2.5.2. RESTORATION OF SERVICE

The use and restoration of service in emergencies shall be in accordance with part 64, Subpart D of the Federal Communication Commission's Rules and Regulations which specifies the priority system for such activities.

2.5.3. MINIMUM SERVICE PERIOD

The minimum service period is one month (30 days).

SECTION 2 - RULES AND REGULATIONS (CONT'D)

2.5. CANCELLATION AND DISCONTINUANCE OF SERVICE (CONT'D)

2.5.4. CANCELLATION BY CUSTOMER

A. Customer may cancel service by providing written notice to Company thirty (30) days prior to cancellation.

B. Customer is responsible for usage charges while still connected to the Company's service and the payment of associated local exchange company charges, if any, for service charges.

C. Any non-recoverable cost of Company expenditures shall be borne by the Customer if:

1. The Customer orders service requiring special facilities dedicated to the Customer's use and then cancels the order before such service begins, before completion of the minimum period or before completion of some period mutually agreed with the Customer for the non-recoverable portions of expenditures; or

2. Liabilities are incurred expressly on behalf of the Customer by Company and not fully reimbursed by installation and monthly charges; and

3. Based on an order for service and construction has either begun or has been completed, but no service provided.

D. In the event a Customer terminates Service with the Company prior to the end of the Service contract or in the event that the Company terminates Service based upon Customer's default during the term of the Service contract, Customer will pay to the Company a termination fee consisting of 1) any installation charges previously waived by Company, and 2) a termination penalty equivalent to the month-to-month rate for all Service multiplied by the number of months remaining in the Service contract. The termination fee will be due immediately upon termination of Service.

SECTION 2 - RULES AND REGULATIONS (CONT'D)

2.5. CANCELLATION AND DISCONTINUANCE OF SERVICE (CONT'D)

2.5.5. CANCELLATION BY COMPANY

A. Company reserves the right to immediately discontinue furnishing the service to Customers:

1. In the event of a condition determined to be hazardous to the Customer, to other Customers of the utility, to the utilities equipment, to the public or to employees of the utility; or

2. By reason of any order or decision of a court or any other governmental authority which prohibits the Company from furnishing such service; or

3. If the Company deems such refusal necessary to protect itself or third parties against fraud or to otherwise protect its personnel, agents, facilities or services without notice; or

4. For unlawful use of the service or use of the service for unlawful purposes; or

5. If the Customer provides false information to the Company regarding the Customer's identity, address, credit-worthiness, past, current or planned use of Company's services.

B. Company may discontinue service according to the following conditions upon fifteen (15) days written notice via first-class U.S. mail, followed by a second written notice five (5) days prior to discontinuance of service, under the following circumstances:

1. For violation of Company's filed Tariff.

2. For the non-payment of any proper charge as provided by Company's Tariff.

3. For Customer's breach of the contract for service between the utility and Customer.

4. When necessary for the Company to comply with any order or request of any governmental authority having jurisdiction.

C. The discontinuance of service(s) by the Company pursuant to this section does not relieve the Customer of any obligations to pay the Company for charges due and owing for service(s) furnished up to the time of discontinuance. The remedies set forth herein shall not be exclusive and the company shall at all times be entitled to all the rights available to it under law or equity.

D .The Company may refuse to permit collect calling, calling card, third number billing which it determines to be fraudulent and/or may limit the use of these billing options or services.

SECTION 2 - RULES AND REGULATIONS (CONT'D)

2.10. PAYMENTS AND BILLING

2.10.1 GENERAL

A. Service is provided and billed on a monthly (30 day) basis and sent via first class mail, by electronic posting to a secure site on the Internet, or via electronic mail to a confirmed Customer electronic mail address. The billing date is dependent on the billing cycle assigned to the Customer. Service continues to be provided until canceled by the Customer.

B. The Customer is responsible for the payment of all charges for Services furnished to the Customer. Charges are based on actual usage, and are billed monthly in arrears.

C. Billing is payable via check, wire transfer, Credit Card or automatic bank debit upon receipt and past due thirty (30) days after issuance and posting of invoice. Bills not paid within thirty (30) days after the date of posting are subject to a payment charge for the unpaid balance, as set forth below, and may be subject to additional collection agency fees.

D Whenever a check or draft presented for payment of Service is not accepted by the institution on which it is written, a returned check charge of $25.00 will apply, per check or draft written.

E. All amounts outstanding 31 days or more from the date on which the bill for such amounts is mailed are subject to a late payment charge of 1.5%.

F. At the Customer's request, and upon payment of all outstanding non-disputed amounts owed by Customer to the Company for Service, Company will reconnect Customer whose Service has been Disconnected for non-payment. Customer is also responsible for payment of the reconnection fee set forth in Section 4 of this Tariff.

SECTION 2 - RULES AND REGULATIONS (CONT'D)

2.10. PAYMENTS AND BILLING (CONT'D)

2.10.2. BILLING DISPUTES

A. Billing disputes should be addressed to Company's customer service organization via telephone to 1-800-COMCAST. Customer service representatives are available twenty-four (24) hours per day, seven (7) days per week.

B. In the case of a dispute between the Customer and the Company for service furnished to the Customer, which cannot be settled with mutual satisfaction, the Customer may take the following course of action:

1. First, the Customer may request the Company perform an in-depth review of the disputed amount. (The undisputed portion and subsequent bills must be paid on a timely basis or the service may be subject to disconnection).

2. Second, if there is still a disagreement about the disputed amount after the investigation and review by a manager of the Company, the Customer may appeal to the Commission for its investigation and decision. The address of the Commission is:

   South Dakota Public Utilities Commission
   State Capitol Building
   500 East Capitol Avenue
   Pierre, South Dakota 57501-5070

2.10.3. DEPOSITS

The Company does not require a deposit from the Customer.

2.10.4. TAXES AND SURCHARGES

In addition to the charges specifically pertaining to the Services, certain federal, state, and local surcharges, taxes, gross receipts, and fees will be applied to these Services. Examples of such programs include but are not limited to sales, use, excise, franchise, access, universal service, and 911 services. These taxes, surcharges, and fees are calculated based upon the amount billed to the End User for Service(s).

SECTION 2 - RULES AND REGULATIONS (CONT'D)

2.14. INTERCONNECTION

2.10.3. GENERAL

A. The Customer shall secure all licenses, permits, rights-of-way and other arrangements necessary for interconnections with the Company. In addition, the Customer shall ensure that its equipment and/or system or that of its agents is properly interfaced with the Company's Service and the signals emitted into the Company's network are of the proper mode, band-width, power, data, speed and signal level from the intended use of the Customer. If the Customer or its agent fails to properly maintain and operate its equipment and/or system of that of its agent, the Company may, upon written request, require the use of protective equipment at the Customer's request

B. Service furnished by Company may be interconnected with services or facilities of other authorized communications common carriers and with private systems, subject to the technical limitations established by Company. Any special interface of facilities necessary to achieve compatibility between the facilities of Company and other participating carriers shall be provided at the Customer's expense.

C. Interconnection between the facilities or services of other carriers shall be under the applicable terms and conditions of the other carriers' tariffs. The Customer is responsible for taking all necessary legal steps for interconnecting Customer provided terminal equipment or communications equipment with Company's facilities. The Customer shall secure all licenses, permits, rights-of-way, and other such arrangements necessary for interconnection.

SECTION 3 - DESCRIPTION OF SERVICE

3.1. TIMING AND RATING OF CALLS

A. The Customer's long distance usage charge is based on the actual usage of Company's service. Usage begins when the receiver of the called number is answered. The moment of the called party's answer is determined by hardware supervision in which the local telephone company sends a signal to the underlying carrier's switch or the software utilizing audio tone detection. The timing of the call occurs when called party answers and terminated when either party hangs up.

B. For all services except month-to-month "1 Plus" and 800 service and calling cards, the minimum call duration for billing purposes is six (6) seconds with six (6) second billing increments thereafter. For month-to-month "1 Plus" and 800 service, the minimum call duration for billing purposes is (1) minute with one (1) minute billing increments thereafter. For all calling cards, the minimum call duration for billing purposes is thirty (30) seconds with six (6) second billing increments thereafter. These increments apply unless otherwise noted in this Tariff.

C. Any portion of an applicable increment, after the appropriate minimum time for the call, will be rounded upward to the next increment. Calls less than the minimum length will be rounded to the minimum length.

D. There is no billing for incomplete calls.

E. The rate for Company's service is based on the following factors:

The monthly calling volume; and

The duration of the call; and

The type of service subscribed to; and

The term of the Customer's contract with the Company.

SECTION 3 - DESCRIPTION OF SERVICE

3.2. TELECOMMUNICATIONS SERVICES

A. Switched and Dedicated Access Interexchange Services. Company offers switched and dedicated access service, offering users outbound "1 Plus" and inbound, toll free "800" long distance telecommunications services from points originating and terminating in the State of South Dakota.

B. Premier Calling Card Service permits the Customer to charge the principal presubscribed location for a call while the Customer is away from the principal location, using AT&T as the underlying Carrier. The Customer may place calls from any touch-tone phone in the U.S. by dialing a toll free "800" number and entering a personal identification code, followed by the desired telephone number. Premier Calling Card Services are billed at the Company's rates and appear on the Customer's monthly long distance bill. Premier Calling Card rates are billed in increments of 30 seconds and 6 seconds with a 30 second minimum.

C. Solution Calling Card Service permits the Customer to charge the principal presubscribed location for a call while the Customer is away from the principal location, using Global Crossing as the underlying carrier. The Customer may place calls from any touch-tone phone in the U.S. by dialing a toll free "800" number and entering a personal identification code, followed by the desired telephone number. Solution Calling Card Services are billed at the Company's rates and appear on the Customer's monthly long distance bill. Solution Calling Card rates are billed in increments of 30 seconds and 6 seconds, with a 30 second minimum.

3.3. PROMOTIONS

The Company may, from time to time, engage in special promotions of new or existing Service offerings of limited duration designed to attract new Customers or to increase existing Customer awareness of a particular offering. All promotional offerings shall be offered in accordance with applicable Commission rules or regulations.

SECTION 4 – RATES AND CHARGES

4.1. SERVICE CHARGES

Customers may select between Company's basic "Domestic" and "Premier" switched and dedicated access plans. Company's "Premier" plans provide comparable service features to "Domestic" plans, with added international network quality enhancements provided by underlying carriers. Monthly service charges per account are based on the following:

4.2. RATE PLANS

4.2.1. "DOMESTIC" SWITCHED ACCESS SERVICE, INBOUND TOLL FREE AND OUTBOUND "1+"

There is a recurring monthly fee of $20.00 for switched access service, which includes pre-subscription to one or more outbound line(s), one (1) toll free (8XX) line and use of calling cards. There is a recurring monthly charge of $5.00 for each additional toll free line. Rates for customers who subscribe to the Company's services on a month-to-month basis are billed in one (1) minute increments. Rates for customers who subscribe to the Company's services for 1 year, 2 year and 3 year terms are billed in six (6) second increments.

	Rate Per Minute
• Month to Month	$0.2500
• 1 Year Term	$0.0920
• 2 Year Term	$0.0870
• 3 Year Term	$0.0820

SECTION 4 – RATES AND CHARGES

4.2. RATE PLANS (CONT'D)

4.2.2. "DOMESTIC" DEDICATED ACCESS SERVICE, INBOUND TOLL FREE AND OUTBOUND "1+"

There is a recurring monthly fee of $20.00 for dedicated access service, which includes pre-subscription to one or more outbound line(s), one (1) toll free (8XX) line and use of calling cards. There is a recurring monthly charge of $5.00 for each additional toll free line. Rates for customers who subscribe to the Company's services on a month-to-month basis are billed in one (1) minute increments. Rates for customers who subscribe to the Company's services for 1 year, 2 year and 3 year terms are billed in six (6) second increments.

	RATE PER MINUTE
• Month to Month	$0.2500
• 1 Year Term	$0.1070
• 2 Year Term	$0.1020
• 3 Year Term	$0.0970

SECTION 4 – RATES AND CHARGES

4.2. RATE PLANS (CONT'D)

4.2.3. "PREMIER" SWITCHED ACCESS SERVICE, INBOUND TOLL FREE AND OUTBOUND "1+"

There is a recurring monthly fee of $20.00 for switched access service, which includes pre-subscription to one or more outbound line(s), one (1) toll free (8XX) line and use of calling cards. There is a recurring monthly charge of $5.00 for each additional toll free line. Rates for customers who subscribe to the Company's services on a month-to-month basis are billed in one (1) minute increments. Rates for customers who subscribe to the Company's services for 1 year, 2 year and 3 year month terms are billed in six (6) second increments.

	RATE PER MINUTE	
	INBOUND TOLL FREE	OUTBOUND "1+"
• Month to Month	$0.2500	$0.2500
• 1 Year Term	$0.0920	$0.2080
• 2 Year Term	$0.0870	$0.1920
• 3 Year Term	$0.0820	$0.1780

SECTION 4 – RATES AND CHARGES

4.2. RATE PLANS (CONT'D)

4.2.4. "PREMIER" DEDICATED ACCESS SERVICE, INBOUND TOLL FREE AND OUTBOUND "1+"

There is a recurring monthly fee of $20.00 for dedicated access service, which includes pre-subscription to one or more outbound line(s), one (1) toll free (8XX) line and use of calling cards. There is a recurring monthly charge of $5.00 for each additional toll free line. Rates for customers who subscribe to the Company's services on a month-to-month basis are billed in one (1) minute increments. Rates for customers who subscribe to the Company's services for 1 year, 2 year and 3 year terms are billed in six (6) second increments.

	Rate Per Minute	
	Inbound Toll Free	Outbound "1+"
• Month to Month	$0.2500	$0.2500
• 1 Year Term	$0.1180	$0.1180
• 2 Year Term	$0.1080	$0.1080
• 3 Year Term	$0.1020	$0.1020

SECTION 4 – RATES AND CHARGES

4.2. RATE PLANS (CONT'D)

4.2.5. PREMIER CALLING CARD SERVICE

Per-call Surcharge:	$0.0000
Initial 30 Seconds:	$0.1265
Add'l 6 Seconds:	$0.0253

4.2.6. SOLUTION CALLING CARD SERVICE

A. Usage Charges

Per-call Surcharge:	$0.0000
Initial 30 Seconds:	$0.0920
Add'l 6 Seconds:	$0.0184

B. Features and Surcharges

Voice Mail, per minute	$0.42
Operator Assistance Surcharge, per call	$1.67
Voice Message Delivery, per minute	$0.42
Delivered Message, per minute	$0.42
Directory Assistance, per call	$1.32
Payphone Surcharge, per call	$0.50
Operator Assisted Surcharge, per call	$0.35
Operator Dialed Station-to-Station Surcharge, per call	$1.67
Operator Dialed Person-to-Person Surcharge, per call	$1.67

SECTION 4 – RATES AND CHARGES

4.3. INDIVIDUAL CASE BASIS (ICB) ARRANGEMENTS

Arrangements will be developed on a case-by-case basis in response to a bona fide request from a Customer or prospective Customer to develop a competitive bid for a Service offered under this Tariff. Rates quoted in response to such competitive requests may be different than those specified for such Services in this Tariff. ICB rates will be offered to the Customer in writing and on a non-discriminatory basis.

4.4. RECONNECTION FEE

At the Customer's request, and upon payment of all outstanding non-disputed amounts owed by Customer to the Company for Service, Company will reconnect Customer whose Service has been disconnected for non-payment.

Service Reconnection Fee (per occurrence)	$30.00

4.5 ACCESS RECOVERY CHARGE

The Access Recovery Charge is imposed on each account as a percentage of the account balance before Taxes for the purpose of funding costs associated with accessing the Company's network

Access Recovery Charge per account:	3.89%