



VIA ELECTRONIC FILING

January 2, 2018

To Whom it May Concern:

Altice USA, Inc. ("Altice" or "the Company") hereby notifies your office of certain programming changes in the Optimum footprint, noted below.

Despite negotiations that lasted into December 31, the owners of Starz & Starz Encore and the Company were unable to reach an agreement to continue carriage of the channels offered by Starz.¹ As a result, effective 12:01AM, January 1, 2018, Altice was required to remove the Channels – which had been carried as an a la carte service and as part of the Optimum Preferred, Optimum Select and above packages for residential customers and the Business & Entertainment Preferred packages for commercial customers -- from the Optimum lineup.

All Optimum customers may continue to access the Channels by purchasing the Starz over-the-top service directly through Starz (for details, see Optimum.net/starz).

In addition, FYI, Optimum is launching the following replacement programming for customers who previously received the Channels: (1) Sony Movie Channel and MGM HD (for residential customers on Silver, Premier and above packages); and (2) Hallmark Drama and The Cowboy Channel (for residential customers on the Preferred, Select and above packages and for commercial customers in Business & Entertainment Preferred). Also on January 1, Optimum will re-tier both Flix and The Movie Channel to more video tiers at no charge,² and certain customers will receive a complimentary subscription to TMC. In addition, customers throughout the Optimum footprint who previously purchased Starz a la carte will have the

¹ Starz On Demand, Starz, Starz Kids & Family, Starz Edge, Starz in Black, Starz West, Starz Comedy, Starz Cinema, Starz Encore On Demand, Starz Encore, Starz Encore Suspense, Starz Encore Westerns, Starz Encore Classic, Starz Encore Black, Starz Encore Family, Starz Encore West, Starz Encore Action (the "Channels").

² Flix is moving from Optimum Gold and expanding to Optimum Preferred, Optimum Select and above packages. Similarly, TMC is moving from Optimum Gold expanding to Optimum Silver and Optimum Premier and above packages.



option of receiving another Premium service.

Customers are being notified through email, on-screen messaging, bill messages and a dedicated website. In addition, customers can always find Optimum's current programming line-ups on our website at www.optimum.net.

A copy of the Company's public statement is attached for your reference. Should you have any questions, please do not hesitate to contact me 516-803-2750 or by email at John.Dullaghan@AlticeUSA.com

Sincerely,

A handwritten signature in blue ink, appearing to read 'John Dullaghan'.

John Dullaghan
Director, Government Affairs

Enclosure

Altice USA Statement on Starz Negotiations

Optimum and Suddenlink Customers Can Subscribe to Starz OTT Service at Starz.com

As of midnight December 31, 2017, Altice USA will no longer carry Starz or StarzEncore programming directly. Despite numerous attempts by Altice USA to reach a deal with Starz for continued carriage in video packages and a la carte carriage, Starz refused all offers, including an offer to extend our current arrangement.

Altice USA provided the following comment:

"We are focused on providing the best content experience for our customers and continually evaluate which channels meet their needs and preferences relative to the cost of the programming imposed by content owners. Given that Starz is available to all consumers directly through Starz' own over-the-top streaming service, we don't believe it makes sense to charge all of our customers for Starz programming, particularly when their viewership is declining and the majority of our customers don't watch Starz. We believe it is in the best interest of all our customers to replace Starz and StarzEncore programming with alternative entertainment channels that will provide a robust content experience at a great value."

Starz is available to all consumers directly through Starz' own OTT streaming service, and any broadband customer who wants to watch Starz programming can continue to do so by subscribing. For more information, customers can visit Optimum.net/starz

No Optimum or Suddenlink consumer will lose access to Starz since they can subscribe directly with Starz for the service but we are also providing replacement content and programming options for our customers:

- We are launching replacement channels for customers who previously received Starz / StarzEncore as part of a video package. Channels include Hallmark Drama, Sony Movies, MGM HD, HD Net Movies, Flix, and Cowboy Channel. Certain customers will also receive a complimentary subscription to TMC.
- Customers who previously purchased Starz a la carte will have the option to receive another Premium service or they can purchase the Starz OTT service directly through Starz (for less than what we would be able to charge if we agreed to their terms and demands).

Background Details on Negotiations:

Since our last contract renewal, Starz began offering a direct to consumer streaming service for \$8.99 per month. Given that Starz is available direct to consumer through their subscription service, we have been actively negotiating to reach a deal that makes sense for all our customers, and made numerous offers of increasing value and partnership structures.

Starz wanted an all or nothing-type deal and their insistence on terms would force us to charge customers more than what the Starz OTT product costs — that would not make sense for our customers. Given the limited viewership of Starz amongst our customer base and that consumers can get Starz directly, we believe this approach is in the best interest of all of our customers who otherwise would have seen an impact on prices due to Starz' demands.

We have simply been seeking to do what Starz itself is doing: support a Starz a la carte product, whether through our sales channels or through their OTT service.

We have reached more than two dozen agreements over the last few months that reflect the company's commitment to both negotiate fairly and keep costs down for customers. In addition to offers to maintain packaged distribution, we proposed extending our a la carte deal in Suddenlink to include Optimum and Starz refused - this despite the fact that Starz has a la carte only deals with other distributors. We also offered to help sell the Starz OTT service to our broadband customers and they refused. We also offered to extend our current agreements.