CHARTER COMMUNICATIONS, INC. /MO/
Form 424B2
January 04, 2011

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**Filed pursuant to Rule 424(b)(2)**
**Registration No. 333-171526**

**Subject to Completion, dated January 4, 2011**

**Prospectus Supplement**
**(to Prospectus dated January 4, 2011)**

**$750,000,000**

**CCO Holdings, LLC**
**CCO Holdings Capital Corp.**

**% Senior Notes due 2019**

CCO Holdings, LLC and CCO Holdings Capital Corp., or the issuers, are offering $750,000,000 aggregate principal amount of our % Senior Notes due 2019, or the notes. The notes will mature on , 2019. We will pay interest on the notes on each and , commencing , 2011.

We may redeem some or all of the notes at any time prior to , 2014 at a price equal to 100% of the principal amount of the notes redeemed, plus accrued and unpaid interest to the redemption date and a make-whole premium, as described in this prospectus supplement. We may redeem some or all of the notes at any time on or after , 2014 at the redemption prices set forth in this prospectus supplement. In addition, until , 2014, we may redeem up to 35% of the aggregate principal amount of the notes using net proceeds from certain equity offerings at the redemption price set forth in this prospectus supplement. Holders may require us to repurchase the notes upon a Change of Control Triggering Event (as defined under Description of Notes ). There is no sinking fund for the notes.

The notes will be our senior unsecured obligations and will rank equally in right of payment with all of our existing and future senior unsecured debt. The notes will be effectively subordinated to our secured debt to the extent of the value of the assets securing such debt and to the debt and other liabilities of our non-guarantor subsidiaries. The notes will be guaranteed on a senior unsecured basis by Charter Communications, Inc., our indirect parent company. The notes will not be guaranteed by any of our subsidiaries.

The notes are not expected to be listed on any securities exchange or included in any quotation system.

This prospectus supplement and the accompanying prospectus include additional information about the terms of the notes, including optional redemption prices and covenants.

**See Risk Factors, which begins on page S-13 of this prospectus supplement for a discussion of certain of the risks you should consider before investing in the notes.**

| | Per Note | Total |
|---|---|---|
| Public offering price(1) | % | $ |
| Underwriting discount | % | $ |
| Estimated proceeds to us, before expenses(1) | % | $ |

(1) Plus accrued interest from , 2011, if settlement occurs after that date.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

We expect that delivery of the notes will be made in New York, New York on or about , 2011.

*Joint Book-Running Managers*

**Deutsche Bank Securities**
**BofA Merrill Lynch**
**Citi**
**Credit Suisse**
**UBS Investment Bank**

*Co-Managers*

**J.P. Morgan**
**US Bancorp**
**RBC Capital Markets**
**Goldman, Sachs & Co.**
**Morgan Stanley**
**Credit Agricole CIB**

The date of this Prospectus Supplement is , 2011.

**You should rely only on the information contained in this prospectus supplement. Neither the issuers nor the underwriters have authorized anyone to provide you with any information or represent anything about the issuers, their financial results or this offering that is not contained in this prospectus supplement. If given or made, any such other information or representation should not be relied upon as having been authorized by the issuers or the underwriters. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained in this prospectus supplement is accurate as of any date other than the date on the front cover of this prospectus supplement.**

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### Prospectus Supplement



### Prospectus



## ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is the prospectus supplement, which describes the specific terms of the notes we are offering and certain other matters relating to us and our financial condition. The second part, the accompanying prospectus, gives more general information about securities we may offer from time to time, some of which may not apply to the notes we are offering. You should read this prospectus supplement along with the accompanying prospectus, as well as the documents incorporated by reference. If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

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## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement includes forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act ), regarding, among other things, our plans, strategies and prospects, both business and financial. Although we believe that our plans, intentions and expectations reflected in or suggested by these forward-looking statements are reasonable, we cannot assure you that we will achieve or realize these plans, intentions or expectations. Forward-looking statements are inherently subject to risks, uncertainties and assumptions, including, without limitation, the factors described under the heading Risk Factors appearing elsewhere in this prospectus supplement. Many of the forward-looking statements contained in this prospectus supplement may be identified by the use of forward-looking words such as believe, expect, anticipate, should, planned, will, may, intend, estimated, aim, on track, target, opportunity, tentative, po among others. Important factors that could cause actual results to differ materially from the forward-looking statements we make in this prospectus supplement are set forth in this prospectus supplement and in other reports or documents that we file from time to time with the SEC, and include, but are not limited to:

our ability to sustain and grow revenues and free cash flow by offering video, high-speed Internet, telephone and other services to residential and commercial customers, to adequately deliver customer service and to maintain and grow our customer base, particularly in the face of increasingly aggressive competition, the need for innovation and the related capital expenditures and the difficult economic conditions in the United States;

the impact of competition from other distributors, including but not limited to incumbent telephone companies, direct broadcast satellite ( DBS ) operators, wireless broadband providers, and digital subscriber line ( DSL ) providers and competition from video provided over the Internet;

general business conditions, economic uncertainty or downturn, high unemployment levels and the significant downturn in the housing sector and overall economy;

our ability to obtain programming at reasonable prices or to raise prices to offset, in whole or in part, the effects of higher programming costs (including retransmission consents);

the effects of governmental regulation on our business;

the availability and access, in general, of funds to meet our debt obligations, prior to or when they become due, and to fund our operations and necessary capital expenditures, either through (i) cash on hand, (ii) free cash flow, (iii) access to the capital or credit markets including through new issuances, exchange offers or otherwise, especially given recent volatility and disruption in the capital and credit markets, or (iv) other sources and our ability to fund debt obligations (by dividend, investment or otherwise) to the applicable obligor of such debt; and

our ability to comply with all covenants in our indentures and credit facilities, any violation of which, if not cured in a timely manner, could trigger a default of our other obligations under cross-default provisions.

All forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by this cautionary statement. We are under no duty or obligation to update any of the forward-looking statements after the date of this prospectus supplement.

## INDUSTRY AND MARKET DATA

In this prospectus supplement, we rely on and refer to information and statistics regarding our industry. We obtained this market data from independent industry publications or other publicly available information. Although we believe that these sources are reliable, we and the underwriters have not independently verified and do not guarantee the accuracy and completeness of this information.

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## INCORPORATION BY REFERENCE; ADDITIONAL INFORMATION

Charter Communications, Inc., the issuers indirect parent company, files annual, quarterly, special reports and other information with the SEC. We are incorporating by reference certain information of Charter filed with the SEC, which means that we disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus supplement, and information that we file later with the SEC will automatically update and supersede this information. Specifically, we incorporate by reference the documents listed below and any future filings made with the SEC under Section 13 or 15(d) of the Exchange Act (excluding any information furnished but not filed) prior to the termination of this offering (collectively, the SEC Reports ):

Charter Communications, Inc. s Annual Report on Form 10-K for the year ended December 31, 2009;

Charter Communications, Inc. s Quarterly Reports on Form 10-Q for the quarters ended March 31, 2010, June 30, 2010 and September 30, 2010; and

Charter Communications, Inc. s Current Reports on Form 8-K filed with the SEC on January 4, 2010, January 22, 2010, February 12, 2010, March 10, 2010, March 18, 2010, April 6, 2010, April 13, 2010, April 16, 2010, May 4, 2010, May 11, 2010, June 22, 2010, August 2, 2010, August 6, 2010, August 20, 2010, September 15, 2010, September 20, 2010, September 21, 2010, September 30, 2010, December 16, 2010 and January 4, 2011.

The information in the above filings speaks only as of the respective dates thereof, or, where applicable, the dates identified therein. You may read and copy any document we file with the SEC at the SEC s public reference room at 450 Fifth Street, N.W., in Washington, D.C., as well as the SEC s regional offices. Please call the SEC at 1-800-SEC-0330 for further information relating to the public reference room. These SEC filings are also available to the public at the SEC s website at www.sec.gov.

In reliance on Rule 12h-5 under the Exchange Act, neither of the issuers intends to file annual reports, quarterly reports, current reports or transition reports with the SEC. For so long as the issuers rely on Rule 12h-5, certain financial information pertaining to the issuers will be included in the financial statements of Charter Communications, Inc. filed with the SEC pursuant to the Exchange Act.

## CERTAIN DEFINITIONS

When used in this prospectus supplement (other than the section Description of Notes ), the following capitalized terms have the meanings set forth below:

***Adjusted EBITDA*** has the meaning set forth in note (b) under Selected Historical Consolidated Financial Data.

***CC VIII*** means CC VIII, LLC, a Delaware limited liability company.

***CCH I*** means CCH I, LLC, a Delaware limited liability company.

***CCH II*** means collectively, CCH II, LLC, a Delaware limited liability company, and CCH II Capital Corp., a Delaware corporation.

***CCO Holdings*** means CCO Holdings, LLC, a Delaware limited liability company.

***CCO Holdings Capital*** means CCO Holdings Capital Corp., a Delaware corporation, a wholly-owned subsidiary of CCO Holdings.

***Charter*** means Charter Communications, Inc., a Delaware corporation, the guarantor of the Notes.

***Charter Holdco*** means Charter Communications Holding Company, LLC, a Delaware limited liability company.

***Charter Operating*** means Charter Communications Operating, LLC, a Delaware limited liability company.

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***Charter Operating Entities*** means collectively, Charter Operating and Charter Communications Operating Capital Corp., a Delaware corporation.

***Free Cash Flow*** means net cash flows from operating activities, less capital expenditures and changes in accrued expenses related to capital expenditures.

***GAAP*** means accounting principles generally accepted in the United States.

***Issuer*** means either of the Issuers as the context requires.

***Issuers*** means CCO Holdings, LLC, excluding its subsidiaries, and CCO Holdings Capital Corp.

***Notes*** means the % Senior Notes due 2019 offered hereby.

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## PROSPECTUS SUPPLEMENT SUMMARY

*This summary contains a general discussion of our business, the offering of the Notes and summary financial information. It does not contain all the information that you should consider before investing in the Notes. You should read this entire prospectus supplement and the related documents to which we refer. Unless otherwise noted, all business data included in this summary is as of September 30, 2010.*

*For definitions of certain capitalized terms used in the prospectus supplement that are not defined elsewhere herein, see Certain Definitions. For a chart showing our ownership structure, see page S-3. CCO Holdings is an indirect subsidiary of Charter. CCO Holdings is a holding company with no operations of its own. CCO Holdings Capital is a wholly-owned subsidiary of CCO Holdings. CCO Holdings Capital is a company with no operations of its own and no subsidiaries.*

*Unless stated otherwise, the discussion in this prospectus supplement of our business includes the business of Charter and its direct and indirect subsidiaries. Unless the context otherwise requires, the terms we, us and our refer to Charter and its direct and indirect subsidiaries on a consolidated basis.*

### Our Business

We are among the largest providers of cable services in the United States, offering a variety of entertainment, information and communications solutions to residential and commercial customers. Our infrastructure consists of a hybrid of fiber and coaxial cable plant passing approximately 12.0 million homes, with 96% of homes passed at 550 MHZ or greater and 96% of plant miles two-way active. A national Internet Protocol ( IP ) infrastructure interconnects all Charter markets.

For the nine months ended September 30, 2010, we generated approximately $5.3 billion in revenue, of which approximately 53% was generated from our residential video service. For the year ended December 31, 2009, we generated approximately $6.8 billion in revenue, of which approximately 55% was generated from our residential video service. We also generate revenue from high-speed Internet, telephone service and advertising with residential and commercial high-speed Internet and telephone service contributing the majority of the recent growth in our revenue.

As of September 30, 2010, we served approximately 5.2 million customers. We sell our video, high-speed Internet and telephone services primarily on a subscription basis, often in a bundle of two or more services, providing savings and convenience to our customers. Bundled services are available to approximately 96% of our homes passed, and approximately 60% of our customers subscribe to a bundle of services.

We served approximately 4.7 million video customers as of September 30, 2010, of which approximately 73% subscribed to digital video service. Digital video enables our customers to access advanced services such as high definition television, OnDemand video programming, an interactive program guide and digital video recorder, or DVR service.

We also served approximately 3.2 million high-speed Internet customers as of September 30, 2010. Our high-speed Internet service is available in a variety of download speeds up to 60 Mbps. We also offer home networking service, or Wi-Fi, enabling our customers to connect up to five computers wirelessly in the home.

We provided telephone service to approximately 1.7 million customers as of September 30, 2010. Our telephone services typically include unlimited local and long distance calling to the U.S., Canada and Puerto Rico, plus more than 10 features, including voicemail, call waiting and caller ID.

Through Charter Business®, we provide scalable, tailored broadband communications solutions to business organizations, such as business-to-business Internet access, data networking, fiber connectivity to cellular towers, video and music entertainment services and business telephone. As of September 30, 2010, we served approximately 255,200 business revenue generating units, including small- and medium-sized commercial customers. Our advertising sales division, Charter Media®, provides local, regional and national businesses with the opportunity to advertise in individual markets on cable television networks.

We have a history of net losses. Our net losses are principally attributable to insufficient revenue to cover the combination of operating expenses, interest expenses that we incur because of our debt and depreciation expenses resulting from the capital investments we have made and continue to make in our cable properties and in 2010, amortization expenses resulting from the application of fresh start accounting.

On March 27, 2009, we and certain affiliates filed voluntary petitions in the United States Bankruptcy Court for the Southern District of New York (the Bankruptcy Court ), to reorganize under Chapter 11 of the United States Bankruptcy Code (the Bankruptcy Code ). The Chapter 11 cases were jointly administered under the caption In re Charter Communications, Inc., et al., Case No. 09-11435. On May 7, 2009, we filed a Joint Plan of Reorganization (the Plan ), and a related disclosure statement (the Disclosure Statement ), with the Bankruptcy Court. The Plan was confirmed by the Bankruptcy Court on November 17, 2009 (the Confirmation Order ), and became effective on November 30, 2009 (the Effective Date ), the date on which we emerged from protection under Chapter 11 of the Bankruptcy Code.

## Recent Events

On October 29, 2010, Charter announced the appointment of Christopher L. Winfrey to the position of Executive Vice President and Chief Financial Officer effective November 1, 2010. Gregory S. Rigdon, Executive Vice President, Corporate Development and Strategy will be leaving Charter in early February 2011 to pursue a position with another company. In connection with reassigning Mr. Rigdon s responsibilities, on January 4, 2011, Charter announced the following management appointments: Ted W. Schremp, Executive Vice President, Operations and Marketing; Marwan Fawaz, Executive Vice President, Strategy and Chief Technology Officer; Gregory L. Doody, Executive Vice President, Programming and Legal Affairs; and Richard R. Dykhouse, Senior Vice President, General Counsel and Corporate Secretary. Mr. Schremp was previously the Executive Vice President and Chief Marketing Officer. He has been assigned additional operations responsibilities in addition to overseeing the marketing functions of the Company. Mr. Fawaz was previously Executive Vice President, Operations and Chief Technology Officer. He has been assigned responsibility for the Company s product strategy in addition to his responsibilities as the Chief Technology Officer. Mr. Doody was previously Executive Vice President and General Counsel. He has been assigned additional responsibility for the Company s programming arrangements in addition to overseeing the legal and government affairs functions of the Company. Mr. Dykhouse will report to Mr. Doody and will have direct responsibilities for the legal functions of the Company. Messrs. Doody, Fawaz and Schremp will continue to report to Mike Lovett, President and Chief Executive Officer.

Paul G. Allen holds all 2,241,299 shares of Class B common stock of Charter. As the holder of the Class B common stock, he is entitled to appoint four members of the Board of Directors of the Company. Pursuant to the terms of the Certificate of Incorporation of Charter, at any time on or after January 1, 2011, the Disinterested Members of the Board of Directors of Charter (as such term is defined in Charter s Certificate of Incorporation) may cause a conversion of the shares of Class B common stock into shares of Class A common stock on a one-for-one basis. If such a conversion were to occur, Mr. Allen would no longer have the right to appoint four directors and the Class B directors would become Class A directors whose reelection would be subject to the nomination process of the Board of Directors and to the vote of all shareholders. The Board expects to consider the question in the first quarter of 2011.

Charter has met its expectation for the roll out of DOCSIS 3.0 to approximately 55% of its homes passed and the roll out of switched digital video to approximately 60% of its homes passed. Charter also had capital expenditures of approximately $1.2 billion for the year ended December 31, 2010. For the fourth quarter of 2010, Charter has continued to experience some softness in unit volume, as it maintained rate discipline in the face of aggressive promotional offers in the market both from direct broadcast satellite companies and direct service line (DSL) providers.

**Our Corporate Information**

Our principal executive offices are located at Charter Plaza, 12405 Powerscourt Drive, St. Louis, Missouri 63131. Our telephone number is (314) 965-0555, and we have a website accessible at www.charter.com. Since January 1, 2002, our annual reports, quarterly reports and current reports on Form 8-K, and all amendments thereto, have been made available on our website free of charge as soon as reasonably practicable after they have been filed. The information posted on our website is not incorporated into this prospectus supplement and is not part of this prospectus supplement.

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## Corporate Entity Structure

The chart below sets forth our entity structure and that of the Issuers direct and indirect parent companies and subsidiaries. This chart does not include all of our affiliates and subsidiaries and, in some cases, we have combined separate entities for presentation purposes. The equity ownership and voting percentages shown below are approximations as of September 30, 2010, and do not give effect to any subsequent exercise of then outstanding warrants. Indebtedness amounts shown below are principal amounts as of September 30, 2010.

(1) CCH II:
13.500% senior notes due 2016 (approximately $1.8 billion principal amount outstanding)

Guarantee: All notes are guaranteed on a senior unsecured basis by Charter. Security Interest: None.

(2) CCO Holdings:
7.875% senior notes due 2018 ($900 million principal amount outstanding)
8.125% senior notes due 2020 ($700 million principal amount outstanding)
7.250% senior notes due 2017 ($1.0 billion principal amount outstanding)
CCO Holdings credit facility ($350 million principal amount outstanding)

Guarantee: The senior notes and the credit facility are guaranteed on a senior unsecured basis by Charter. Security Interest: The obligations of CCO Holdings under the credit facility are secured by a lien on CCO Holdings equity interest in Charter Operating and all proceeds of such equity interest, junior to the liens of the holders of the senior second-lien notes listed under item (3) below.

(3) Charter Operating:
8.000% senior second-lien notes due 2012 ($1.1 billion principal amount outstanding)
10.875% senior second-lien notes due 2014 ($546 million principal amount outstanding)
Charter Operating credit facility (approximately $6.9 billion principal amount outstanding)

Guarantee: All Charter Operating senior second-lien notes are guaranteed by CCO Holdings and those subsidiaries of Charter Operating that are guarantors of, or otherwise obligors with respect to, indebtedness under the Charter Operating credit facilities. The Charter Operating credit facility is guaranteed by CCO Holdings and certain subsidiaries of Charter Operating.

Security Interest: The Charter Operating senior second-lien notes and related guarantees are secured by a second-priority lien on substantially all of Charter Operating s and certain of its subsidiaries assets that secure the obligations of Charter Operating or any subsidiary of Charter Operating with respect to the Charter Operating credit facilities. The Charter Operating credit facilities are secured by a first-priority lien on substantially all of the assets of Charter Operating and its subsidiaries and a pledge by CCO Holdings of its equity interests in Charter Operating.

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## The Offering

*The summary below describes the principal terms of the offering and the Notes. Some of the terms and conditions described below are subject to important limitations and exceptions. You should carefully read the Description of Notes for a more detailed description of the offering and the Notes.*

| | |
|---|---|
| Issuers | CCO Holdings, LLC and CCO Holdings Capital Corp. |
| Notes Offered | $750,000,000 aggregate principal amount of % Senior Notes due 2019. |
| Maturity | The Notes will mature on , 2019. |
| Interest Payment Dates | and of each year, beginning on , 2011. |
| Ranking | The Notes will be:<br><br>the general unsecured obligations of the Issuers;<br><br>effectively subordinated in right of payment to any future secured debt of the Issuers, to the extent of the value of the assets securing such debt;<br><br>equal in right of payment to the Issuers existing senior notes and any future unsubordinated, unsecured debt of the Issuers;<br><br>structurally senior to the outstanding senior notes of CCH II;<br><br>senior in right of payment to any future subordinated debt of the Issuers;<br><br>structurally subordinated to all debt and other liabilities (including trade payables) of the Issuers subsidiaries, including indebtedness under the Charter Operating credit facilities and the Charter Operating Entities senior second-lien notes; and<br><br>guaranteed on a senior unsecured basis by Charter (which guarantee is structurally junior to all debt and liabilities of all of Charter s subsidiaries).<br><br>As of September 30, 2010, on a pro forma as adjusted basis after giving effect to the prepayment of $631 million of the amounts outstanding under the Charter Operating credit facilities on October 1, 2010, and the sale of the Notes and the anticipated application of the net proceeds therefrom, as if such transactions had occurred on that date, the total principal amount of debt and intercompany loans of CCO Holdings and its subsidiaries would have totaled approximately $11.2 billion, and the Notes would have been structurally subordinated to approximately $8.1 billion. As of October 1, 2010, CCO Holdings subsidiary had approximately an additional $1.1 billion available for future borrowings under senior secured credit facilities, which would be structurally senior in right of payment to the Notes. |

| | |
|---|---|
| Guarantee | Charter will unconditionally guarantee the Notes on a senior unsecured basis. If the Issuers cannot make payments on the Notes, Charter must make them. |
| Optional Redemption | The Notes may be redeemed in whole or in part at our option from time to time as described in the section Description of Notes Optional Redemption. |

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|---|---|
| | At any time prior to , 2014, the Issuers may redeem up to 35% of the Notes in an amount not to exceed the amount of proceeds of one or more public equity offerings at a price equal to % of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, *provided* that at least 65% of the original aggregate principal amount of the Notes (including any additional Notes of such series) issued remains outstanding after such redemption. |
| Restrictive Covenants | The indenture governing the Notes will, among other things, restrict CCO Holdings ability and the ability of certain of its subsidiaries to:<br>pay dividends on stock or repurchase stock;<br>make investments;<br>borrow money;<br>grant liens;<br>sell all or substantially all of our assets or merge with or into other companies;<br>use the proceeds from sales of assets and subsidiaries stock;<br>in the case of our restricted subsidiaries, create or permit to exist dividend or payment restrictions; and<br>engage in certain transactions with affiliates.<br>These covenants are subject to important exceptions and qualifications as described under Description of Notes Certain Covenants, including provisions allowing CCO Holdings and certain of its subsidiaries, as long as the leverage ratio of CCO Holdings and certain of its subsidiaries is below 6.0 to 1.0, to make investments, including designating restricted subsidiaries as unrestricted subsidiaries or making investments in unrestricted subsidiaries. Subject to certain exceptions and limitations, CCO Holdings is also permitted under these covenants to provide funds to its parent companies to pay interest on, or retire or repurchase, their debt obligations.<br>During the time, if any, that the Notes are rated investment grade by both Standard & Poor s Ratings Service and Moody s Investors, Inc. and certain other conditions are met, many of the restrictive covenants contained in the indenture governing the Notes will cease to be in effect. See Description of Notes Certain Covenants. |
| Change of Control | Following a Change of Control Triggering Event, as defined in Description of Notes Certain Definitions, the Issuers will be required to |

| | |
|---|---|
| | offer to purchase all of the Notes at a purchase price of 101% of their principal amount plus accrued and unpaid interest, if any, to the date of purchase thereof. |
| Absence of Market for the Notes | Prior to this offering, there was no existing market for the Notes. We do not intend to apply for the Notes to be listed on any securities exchange or to arrange for any quotation system to quote them.<br><br>If the underwriters make a market in the Notes they may discontinue any market making in the Notes at any time in their sole discretion. |

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| | |
|---|---|
| | Accordingly, we cannot assure you that liquid markets will develop for the Notes. |
| Use of Proceeds | We intend to use the proceeds of this offering (i) to repay borrowings under one or more term loan portions of Charter Operating s credit facilities, (ii) to pay fees and expenses related to this offering, and (iii) for general corporate purposes. See Use of Proceeds. |

You should carefully consider all of the information in this prospectus supplement. In particular, you should evaluate the information under Risk Factors for a discussion of risks associated with an investment in the Issuers and the Notes.

For more complete information about the Notes, see Description of Notes.

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## Selected Historical Consolidated Financial Data

The following table presents summary financial and other data for Charter and its subsidiaries. The summary consolidated financial data has been derived from (i) the audited consolidated financial statements of Charter and its subsidiaries for the one month ended December 31, 2009 (Successor Company), the eleven months ended November 30, 2009 (Predecessor Company), and for each of the years in the two year period ended December 31, 2008 (Predecessor Company), contained in our Annual Report on Form 10-K filed February 26, 2010, which is incorporated by reference in this prospectus supplement and the accompanying prospectus, and (ii) the unaudited consolidated financial statements of Charter and its subsidiaries for the nine months ended September 30, 2010 (Successor Company) and 2009 (Predecessor Company) contained in our Quarterly Report on Form 10-Q filed November 3, 2010, which is incorporated by reference in this prospectus supplement and the accompanying prospectus. The summary financial data should be read in conjunction with the consolidated financial statements (described above) and the related notes. The summary operating data is not derived from the audited consolidated financial statements.

Upon our emergence from bankruptcy, we adopted fresh start accounting. In accordance with GAAP, the audited consolidated financial statements present the results of operations and the sources and uses of cash for (i) the eleven months ended November 30, 2009 of the Predecessor and (ii) the one month ended December 31, 2009 of the Successor. However, for purposes of summary consolidated financial data in this prospectus supplement, we have combined the 2009 results of operations and sources and uses of cash for the Predecessor and the Successor. The results of operations and sources and uses of cash of the Predecessor and Successor are not comparable due to the change in basis resulting from the emergence from bankruptcy.

We believe the unaudited combined consolidated financial data for the twelve months ended December 31, 2009 provide management and investors with a more meaningful perspective on our ongoing financial and operational performance and trends than if we did not combine the results of operations of the Predecessor and the Successor in this manner.

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| | For the Years Ended December 31, | | | For the Nine Months Ended September 30, | |
|---|---|---|---|---|---|
| | Predecessor 2007 | Predecessor 2008 | Combined 2009 | Predecessor 2009 | Successor 2010 |
| | | | (In millions) | | |
| **Statement of Operations Data:** | | | | | |
| Revenues: | | | | | |
| Video(a) | $ 3,616 | $ 3,692 | $ 3,686 | $ 2,772 | $ 2,776 |
| High-speed Internet | 1,243 | 1,356 | 1,476 | 1,098 | 1,201 |
| Telephone(a) | 360 | 583 | 750 | 555 | 612 |
| Commercial | 341 | 392 | 446 | 330 | 365 |
| Advertising Sales | 298 | 308 | 249 | 180 | 206 |
| Other(a) | 144 | 148 | 148 | 110 | 115 |
| **Total revenues** | **6,002** | **6,479** | **6,755** | **5,045** | **5,275** |
| Costs and Expenses: | | | | | |
| Operating (excluding depreciation and amortization)(a) | 2,629 | 2,807 | 2,909 | 2,174 | 2,317 |
| Selling, general and administrative(a) | 1,280 | 1,386 | 1,380 | 1,034 | 1,060 |
| Depreciation and amortization | 1,328 | 1,310 | 1,316 | 977 | 1,134 |
| Impairment of franchises | 178 | 1,521 | 2,163 | 2,854 | |
| Asset impairment charges | 56 | | | | |
| Other operating (income) expenses, net | (17) | 69 | (34) | (38) | 19 |
| **Total costs and expenses** | **5,454** | **7,093** | **7,734** | **7,001** | **4,530** |
| Income (loss) from operations | 548 | (614) | (979) | (1,956) | 745 |
| Interest expense, net | (1,861) | (1,905) | (1,088) | (885) | (645) |
| Change in value of derivatives | 52 | (29) | (4) | | |
| Gain due to Plan effects | | | 6,818 | | |
| Gain due to fresh start accounting adjustments | | | 5,659 | | |
| Reorganization items, net | | | (647) | (523) | (6) |
| Loss on extinguishment of debt | (56) | 4 | | | (38) |
| Other income (expense), net | (1) | (6) | (1) | (3) | 3 |
| Income (loss) before income taxes | (1,318) | (2,550) | 9,758 | (3,367) | 59 |
| Income tax benefit (expense) | (209) | 103 | 343 | 444 | (211) |
| Consolidated net income (loss) | (1,527) | (2,447) | 10,101 | (2,923) | (152) |
| Less: Net (income) loss noncontrolling interest | (7) | (4) | 1,265 | 1,571 | |
| **Net Income (loss) Charter shareholders** | **$ (1,534)** | **$ (2,451)** | **$ 11,366** | **$ (1,352)** | **$ (152)** |

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| | For the Years Ended December 31, | | | For the Nine Months Ended September 30, | |
|---|---|---|---|---|---|
| | Predecessor 2007 | Predecessor 2008 | Combined 2009 (Dollars in millions) | Predecessor 2009 | Successor 2010 |
| **Other Financial Data:** | | | | | |
| Cash flows from operating activities | $ 327 | $ 399 | $ 594 | $ 1,008 | $ 1,422 |
| Cash flows from investing activities | $ (1,138) | $ (1,210) | $ (1,304) | $ (841) | $ (962) |
| Cash flows from financing activities | $ 826 | $ 1,696 | $ 504 | $ (52) | $ (532) |
| Adjusted EBITDA(b) | $ 2,111 | $ 2,319 | $ 2,493 | $ 1,860 | $ 1,915 |
| Capital expenditures | $ 1,244 | $ 1,202 | $ 1,134 | $ 819 | $ 948 |
| Ratio of earnings to fixed charges(c) | N/A | N/A | 8.05x | N/A | 1.09x |
| Deficiency of earnings to cover fixed charges(c) | $ 1,318 | $ 2,550 | N/A | 3,367 | N/A |
| **Operating Data (end of period):** | | | | | |
| Basic video customers(d) | 5,219,000 | 5,036,400 | 4,824,000 | 4,879,100 | 4,652,700 |
| Digital video customers(e) | 2,920,400 | 3,133,400 | 3,218,100 | 3,174,800 | 3,379,300 |
| Residential high-speed Internet customers(f) | 2,682,500 | 2,875,200 | 3,062,300 | 3,010,100 | 3,238,700 |
| Residential telephone customers(g) | 950,800 | 1,325,900 | 1,556,000 | 1,499,800 | 1,688,000 |

| | Successor As of | |
|---|---|---|
| | December 31, 2009 | September 30, 2010 |
| | (In millions) | |
| **Balance Sheet Data (end of period):** | | |
| Investment in cable properties | $ 15,391 | $ 15,156 |
| Total assets | $ 16,658 | $ 16,535 |
| Total debt | $ 13,322 | $ 13,174 |
| Noncontrolling interest(h) | $ 2 | $ |
| Charter shareholders equity | $ 1,916 | $ 1,523 |

(a) Certain prior year amounts have been reclassified to conform with the 2010 presentation, including the reflection of franchise fees, equipment rental and video customer installations revenue as video revenue, and telephone regulatory fees as telephone revenue, rather than other revenue, and service expenses related to commercial have been reclassified from selling, general and administrative expense into operating expense.

(b) We use certain measures that are not defined by GAAP to evaluate various aspects of our business. Adjusted EBITDA is a non-GAAP financial measure and should be considered in addition to, not as a substitute for, consolidated net income (loss) reported in accordance with GAAP. This term, as defined by us, may not be comparable to similarly titled measures used by other companies. Adjusted EBITDA is reconciled to consolidated net income (loss) below.

Adjusted EBITDA is defined as consolidated net income (loss) plus net interest expense, income taxes, depreciation and amortization, gains realized due to Plan effects and fresh start accounting adjustments, reorganization items, impairment of franchises, asset impairment charges, stock compensation expense, loss on extinguishment of debt, change in value of derivatives and other operating expenses, such as special charges and loss on sale or retirement of assets. As such, it eliminates the significant non-cash depreciation and amortization expense that results from the capital-intensive nature of our businesses as well as other non-cash or non-recurring items, and is unaffected by our capital structure or investment activities. Adjusted EBITDA is used by management and Charter s board of directors to evaluate the performance of our business. For this reason, it is a significant component of Charter s annual incentive compensation program. However, this measure is limited in that it does not reflect the periodic costs of certain capitalized tangible and intangible assets used in generating revenues and our cash cost of financing. Management evaluates these costs through other financial measures.

We believe that Adjusted EBITDA provides information useful to investors in assessing our performance and our ability to service our debt, fund operations and make additional investments with internally generated funds. In addition, Adjusted EBITDA generally correlates to the leverage ratio calculation under our credit facilities or outstanding notes to determine compliance with the covenants contained in the facilities and Notes (all such documents have been previously filed with the SEC). Adjusted EBITDA includes management fee expenses in the amount of $129 million, $131 million and $136 million for the years ended December 31, 2007, 2008 and 2009, respectively, and $100 million and $105 million for the nine months ended September 30, 2009 and 2010, respectively, which expense amounts are excluded for the purposes of calculating compliance with leverage covenants.

| | For the Years Ended December 31, | | | For the Nine Months Ended September 30, | |
|---|---|---|---|---|---|
| | Predecessor | | Combined | Predecessor | Successor |
| | 2007 | 2008 | 2009 | 2009 | 2010 |
| | | | (In millions) | | |
| Consolidated net income (loss) | $ (1,527) | $ (2,447) | $ 10,101 | $ (2,923) | $ (152) |
| Plus: Interest expense, net | 1,861 | 1,905 | 1,088 | 885 | 645 |
| Income tax (benefit) expense | 209 | (103) | (343) | (444) | 211 |
| Depreciation and amortization | 1,328 | 1,310 | 1,316 | 977 | 1,134 |
| Impairment charges | 234 | 1,521 | 2,163 | 2,854 | |
| Stock compensation expense | 18 | 33 | 27 | 23 | 17 |
| (Gain) loss due to bankruptcy related items | | | (11,830) | 523 | 6 |
| Change in value of derivatives | (52) | 29 | 4 | | |
| (Gain) loss on extinguishment of debt | 56 | (4) | | | 38 |
| Other, net | (16) | 75 | (33) | (35) | 16 |
| Adjusted EBITDA | $ 2,111 | $ 2,319 | $ 2,493 | $ 1,860 | $ 1,915 |

(c) Earnings include income (loss) before noncontrolling interest and income taxes plus fixed charges. Fixed charges consist of interest expense and an estimated interest component of rent expense.

(d) Basic video customers include all residential customers who receive video services (including those who also purchase high-speed Internet and telephone services). Included within basic video customers are those in commercial and multi-dwelling structures, which are calculated on an equivalent bulk unit ( EBU ) basis.

(e) Digital video customers include all basic video customers that have one or more digital set-top boxes or cable cards deployed.

(f) Residential high-speed Internet customers represent those residential customers who subscribe to our high-speed Internet service.

(g) Residential telephone customers include residential customers who subscribe to our telephone service.

(h) Noncontrolling interest as of December 31, 2009 represents the fair value of Mr. Allen s previous 0.19% interest of Charter Holdco on the Effective Date plus the allocation of income for the month ended December 31, 2009.

On February 8, 2010, Mr. Allen exercised his remaining right to exchange Charter Holdco units for shares of Charter Class A common stock after which Charter Holdco became 100% owned by Charter.

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**Ratio of Consolidated Earnings to Fixed Charges**
**Charter Communications, Inc. and Subsidiaries**

| | For the Years Ended December 31, | | | For the Nine Months Ended September 30, | |
|---|---|---|---|---|---|
| | Predecessor 2007 | Predecessor 2008 | Combined 2009(1) | Predecessor 2009 | Successor 2010 |
| | | | (In millions) | | |
| **Earnings** | | | | | |
| Income (Loss) before Noncontrolling Interest and Income Taxes | $ (1,318) | $ (2,550) | $ 9,758 | $ (3,367) | $ 59 |
| Fixed Charges | 1,868 | 1,912 | 1,384 | 1,102 | 651 |
| Total Earnings | $ 550 | $ (638) | $ 11,142 | $ (2,265) | $ 710 |
| **Fixed Charges** | | | | | |
| Interest Expense | $ 1,831 | $ 1,872 | $ 1,067 | $ 867 | $ 630 |
| Interest Expense Included Within Reorganization Items, Net | | | 289 | 211 | |
| Amortization of Debt Costs | 30 | 33 | 21 | 18 | 15 |
| Interest Element of Rentals | 7 | 7 | 7 | 6 | 6 |
| Total Fixed Charges | $ 1,868 | $ 1,912 | $ 1,384 | $ 1,102 | $ 651 |
| Ratio of Earnings to Fixed Charges(2) | | | 8.05x | | 1.09x |

(1) Upon our emergence from bankruptcy, we adopted fresh start accounting, which resulted in us recording a $11.8 billion gain due to bankruptcy related items during the eleven months ended November 30, 2009. In accordance with GAAP, the audited consolidated financial statements present the results of operations for (i) the eleven months ended November 30, 2009 of the Predecessor and (ii) the one month ended December 31, 2009 of the Successor. However, for purposes of ratio of consolidated earnings to fixed charges in this prospectus supplement, we have combined the 2009 results of operations for the Predecessor and the Successor.

(2) Earnings for the years ended December 31, 2007 and 2008 and for the nine months ended September 30, 2009 were insufficient to cover fixed charges by $1.3 billion, $2.6 billion and $3.4 billion, respectively. As a result of such deficiencies, the ratios are not presented above.

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## RISK FACTORS

*You should carefully consider the risk factors set forth below and the risk factors incorporated herein by reference to Charter s Form 10-K for the year ended December 31, 2009 and Form 10-Q for the quarters ended March 31, 2010, June 30, 2010 and September 30, 2010, as well as the other information contained in this prospectus supplement before deciding whether to invest in the Notes. Any of the following risks could materially and adversely affect our business, financial condition or results of operations. However, the selected risks described below and the risks that are incorporated herein by reference to Charter s Form 10-K for the year ended December 31, 2009 and Form 10-Q for the quarters ended March 31, 2010, June 30, 2010 and September 30, 2010 are not the only risks facing us. Additional risks and uncertainties not currently known to us or those we currently view to be immaterial may also materially and adversely affect our business, financial condition or results of operations. In such a case, we may not be able to make payments of principal and interest on the Notes, and you may lose all or part of your original investment.*

### Risks Related to Our Emergence From Bankruptcy

***Our actual financial results may vary significantly from the projections filed with the Bankruptcy Court.***

In connection with the Plan, Charter was required to prepare projected financial information to demonstrate to the Bankruptcy Court the feasibility of the Plan and our ability to continue operations upon emergence from bankruptcy. Charter filed projected financial information with the Bankruptcy Court most recently on May 7, 2009 as part of the Disclosure Statement approved by the Bankruptcy Court. The projections reflect numerous assumptions concerning anticipated future performance and prevailing and anticipated market and economic conditions that were and continue to be beyond our control. Projections are inherently subject to uncertainties and to a wide variety of significant business, economic and competitive risks. Neither the projections nor any version of the Disclosure Statement should be considered or relied upon. After the date of the Disclosure Statement and during 2009, we recognized an impairment to our franchise values because of the lower than anticipated growth in revenues experienced during the first three quarters of 2009 and an expected reduction of future cash flows as a result of the economic and competitive environment.

***Because our consolidated financial statements reflect fresh start accounting adjustments made upon emergence from bankruptcy, and because of the effects of the transactions that became effective pursuant to the Plan, financial information in the post-emergence financial statements is not comparable to our financial information from prior periods.***

Upon our emergence from bankruptcy, we adopted fresh start accounting pursuant to which our reorganization value, which represents the fair value of the entity before considering liabilities and approximates the amount a willing buyer would pay for the assets of the entity immediately after the reorganization, was allocated to the fair value of assets. The amount remaining after allocation of the reorganization value to the fair value of identified tangible and intangible assets is reflected as goodwill, which is subject to periodic evaluation for impairment. Further, under fresh start accounting, the accumulated losses included in member s deficit were eliminated. In addition to fresh start accounting, our consolidated financial statements reflect all effects of the transactions contemplated by the Plan. Thus, our balance sheets and statements of operations data are not comparable in many respects to our consolidated balance sheets and consolidated statements of operations data for periods prior to our adoption of fresh start accounting and prior to accounting for the effects of the reorganization.

### Risks Related to Our Significant Indebtedness and the Notes

***We have a significant amount of debt and may incur significant additional debt, including secured debt, in the future, which could adversely affect our financial health and our ability to react to changes in our business.***

We have a significant amount of debt and may (subject to applicable restrictions in our debt instruments) incur additional debt in the future. As of September 30, 2010, the total principal amount of debt of Charter and its subsidiaries was approximately $13.3 billion.

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Because of our significant indebtedness, our ability to raise additional capital at reasonable rates, or at all, is uncertain, and the ability of our subsidiaries to make distributions or payments to their parent companies is subject to availability of funds and restrictions under applicable debt instruments and under applicable law.

Our significant amount of debt could have other important consequences. For example, the debt will or could:

- make us vulnerable to interest rate increases, because approximately 40% of our borrowings are, and may continue to be, subject to variable rates of interest;
- expose us to increased interest expense to the extent we refinance existing debt with higher cost debt;
- require us to dedicate a significant portion of our cash flow from operating activities to make payments on our debt, reducing our funds available for working capital, capital expenditures, and other general corporate expenses;
- limit our flexibility in planning for, or reacting to, changes in our business, the cable and telecommunications industries, and the economy at large;
- place us at a disadvantage compared to our competitors that have proportionately less debt;
- adversely affect our relationship with customers and suppliers;
- limit our ability to borrow additional funds in the future, or to access financing at the necessary level of the capital structure, due to applicable financial and restrictive covenants in our debt;
- make it more difficult for us to obtain financing;
- make it more difficult for us to satisfy our obligations to the holders of our Notes and for us to satisfy our obligations to the lenders under our credit facilities; and
- limit future increases in the value, or cause a decline in the value of Charter s equity, which could limit Charter s ability to raise additional capital by issuing equity.

If current debt amounts increase, the related risks that we now face will intensify.

***The agreements and instruments governing our debt contain restrictions and limitations that could significantly affect our ability to operate our business, as well as significantly affect our liquidity.***

Our credit facilities and the indentures governing our debt contain a number of significant covenants that could adversely affect our ability to operate our business, our liquidity, and our results of operations. These covenants restrict, among other things, our ability to:

- incur additional debt;
- repurchase or redeem equity interests and debt;
- issue equity;
- make certain investments or acquisitions;

pay dividends or make other distributions;

dispose of assets or merge;

enter into related party transactions; and

grant liens and pledge assets.

Additionally, the Charter Operating credit facilities require Charter Operating to comply with a maximum total leverage covenant and a maximum first lien leverage covenant. The breach of any covenants or obligations in our indentures or credit facilities, not otherwise waived or amended, could result in a default under the applicable debt obligations and could trigger acceleration of those obligations, which in turn could trigger cross defaults under other agreements governing our long-term indebtedness. In addition, the secured lenders under the Charter Operating credit facilities, the holders of the Charter Operating senior second-lien notes, and the secured lenders under the

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CCO Holdings credit facility could foreclose on their collateral, which includes equity interests in our subsidiaries, and exercise other rights of secured creditors. Any default under those credit facilities or the indentures governing our debt could adversely affect our growth, our financial condition, our results of operations and our ability to make payments on our Notes and credit facilities, and could force us to seek the protection of the bankruptcy laws.

***We depend on generating (and having available to the applicable obligor) sufficient cash flow to fund our debt obligations, capital expenditures, and ongoing operations.***

We are dependent on our cash on hand and free cash flow to fund our debt obligations, capital expenditures and ongoing operations.

Our ability to service our debt and to fund our planned capital expenditures and ongoing operations will depend on our ability to generate and grow cash flow and our access (by dividend or otherwise) to additional liquidity sources. Our ability to generate and grow cash flow is dependent on many factors, including:

- our ability to sustain and grow revenues and free cash flow by offering video, high-speed Internet, telephone and other services to residential and commercial customers, to adequately deliver customer service and to maintain and grow our customer base, particularly in the face of increasingly aggressive competition, the need for innovation and the related capital expenditures and the difficult economic conditions in the United States;

- the impact of competition from other distributors, including but not limited to incumbent telephone companies, direct broadcast satellite operators, wireless broadband providers and DSL providers and competition from video provided over the Internet;

- general business conditions, economic uncertainty or downturn, high unemployment levels and the significant downturn in the housing sector and overall economy;

- our ability to obtain programming at reasonable prices or to raise prices to offset, in whole or in part, the effects of higher programming costs (including retransmission consents); and

- the effects of governmental regulation on our business.

Some of these factors are beyond our control. It is also difficult to assess the impact that the general economic downturn will have on future operations and financial results. The general economic downturn has resulted in reduced spending by customers and advertisers, which have impacted our revenues and our free cash flow from those that otherwise would have been generated. If we are unable to generate sufficient cash flow or we are unable to access additional liquidity sources, we may not be able to service and repay our debt, operate our business, respond to competitive challenges, or fund our other liquidity and capital needs.

***Restrictions in our subsidiaries debt instruments and under applicable law limit their ability to provide funds to us and our subsidiaries that are debt issuers.***

Our primary assets are our equity interests in our subsidiaries. Our operating subsidiaries are separate and distinct legal entities and are not obligated to make funds available to us for payments on our notes or other obligations in the form of loans, distributions, or otherwise. Charter Operating s and CCO Holdings ability to make distributions to us or the applicable debt issuers to service debt obligations is subject to their compliance with the terms of their credit facilities and indentures, and restrictions under applicable law. Under the Delaware Limited Liability Company Act (the Act ), our subsidiaries may only make distributions if the relevant entity has surplus as defined in the Act. Under fraudulent transfer laws, our subsidiaries may not pay dividends if the relevant entity is insolvent or is rendered insolvent thereby. The measures of insolvency for purposes of these fraudulent transfer laws vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, an entity would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all its assets;

- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or it could not pay its debts as they became due.

While we believe that our relevant subsidiaries currently have surplus and are not insolvent, there can otherwise be no assurance that these subsidiaries will not become insolvent or will be permitted to make distributions in the future in compliance with these restrictions in amounts needed to service our indebtedness. Our direct or indirect subsidiaries include the borrowers under the CCO Holdings credit facility and the borrowers and guarantors under the Charter Operating credit facilities. Charter Operating is also an obligor, and its subsidiaries are guarantors under senior second-lien notes, and CCO Holdings is an obligor under its senior notes. As of September 30, 2010, on a pro forma as adjusted basis after giving effect to the prepayment of $631 million of the amounts outstanding under the Charter Operating credit facilities on October 1, 2010, and the sale of the Notes and the anticipated application of the net proceeds therefrom, as if such transactions had occurred on that date, the total principal amount of debt and intercompany loans of CCO Holdings and its subsidiaries would have been approximately $11.2 billion, of which approximately $8.1 billion would have been structurally senior to the Notes.

In the event of bankruptcy, liquidation, or dissolution of one or more of our subsidiaries, that subsidiary s assets would first be applied to satisfy its own obligations, and following such payments, such subsidiary may not have sufficient assets remaining to make payments to its parent company as an equity holder or otherwise. In that event:

- the lenders under CCO Holdings s credit facility and Charter Operating s credit facilities and senior second-lien notes, whose interests are secured by substantially all of our operating assets, and all holders of other debt of CCO Holdings and Charter Operating, will have the right to be paid in full before us from any of our subsidiaries assets; and
- Charter and CCH I, the holders of preferred membership interests in our subsidiary, CC VIII, would have a claim on a portion of CC VIII s assets that may reduce the amounts available for repayment to holders of our outstanding notes.

***All of our outstanding debt is subject to change of control provisions. We may not have the ability to raise the funds necessary to fulfill our obligations under our indebtedness following a change of control, which would place us in default under the applicable debt instruments.***

We may not have the ability to raise the funds necessary to fulfill our obligations under our notes and our credit facilities following a change of control. Under the indentures governing our notes, upon the occurrence of specified change of control events, the applicable note issuer is required to offer to repurchase all of its outstanding notes. However, we may not have sufficient access to funds at the time of the change of control event to make the required repurchase of the applicable notes, and all of the notes issuers are limited in their ability to make distributions or other payments to their respective parent company to fund any required repurchase. In addition, a change of control under the Charter Operating credit facilities would result in a default under those credit facilities. Because such credit facilities and our subsidiaries notes are obligations of our subsidiaries, the credit facilities and our subsidiaries notes would have to be repaid by our subsidiaries before their assets could be available to their parent companies to repurchase their notes. Any failure to make or complete a change of control offer would place the applicable note issuer or borrower in default under its notes. The failure of our subsidiaries to make a change of control offer or repay the amounts accelerated under their notes and credit facilities would place them in default.

***The Issuers and Charter are holding companies and will depend on subsidiaries to satisfy their obligations under the Notes and the guarantee, respectively.***

As holding companies, the Issuers and Charter conduct substantially all of their operations through their indirect subsidiaries, which own substantially all of our consolidated assets. Consequently, the principal source of cash to pay the obligations of the Issuers under the Notes and obligations of Charter under the guarantee is the cash that our subsidiaries generate from their operations. We cannot assure you that our subsidiaries will be able to, or be permitted to, make distributions to enable the Issuers and/or Charter to make payments in respect of their obligations. Each of our subsidiaries is a distinct legal entity and, under certain circumstances, applicable state laws, regulatory limitations and terms of our debt instruments may limit the ability of the Issuers and/or Charter to obtain cash from our subsidiaries. While the indentures governing certain of our existing notes and the Notes limit the ability of our subsidiaries to restrict their ability to pay dividends or make other intercompany payments to us, these limitations are subject to certain qualifications and exceptions, which may have the effect of significantly restricting the applicability of those limits. In the event the Issuers and/or Charter do not receive distributions from our subsidiaries, the Issuers may be unable to make required payments on their indebtedness and Charter may be unable to make any payments under its guarantee. The Issuers are finance companies with no independent operations.

***The Notes are unsecured. Therefore, the secured creditors of the Issuers would have a prior claim, ahead of the Notes, on the assets of the Issuers.***

The Notes are unsecured. As a result, upon any distribution to the Issuers creditors in a bankruptcy, liquidation or reorganization or similar proceeding relating to us or our property, the holders of the Issuers secured debt, including the lenders under the Issuers senior secured credit facility, will be entitled to be paid in full from the assets securing that secured debt before any payment may be made with respect to the Notes. In addition, if the Issuers fail to meet their payment or other obligations under their secured debt, the holders of that secured debt would be entitled to foreclose on the assets securing that secured debt and liquidate those assets. Accordingly, the Issuers may not have sufficient funds to pay amounts due on the Notes. As a result you may lose a portion of or the entire value of your investment in the Notes.

***The Notes are not guaranteed by any of CCO Holdings subsidiaries and are structurally subordinated to the indebtedness and other liabilities of these subsidiaries.***

The Issuers and Charter, as guarantor, are the sole obligors under the Notes. Our subsidiaries do not guarantee the Notes and our subsidiaries (other than the Issuers) have no legal obligation to make payments on the Notes or make funds available for those payments, whether by dividends, loans or other payments. The Notes, therefore, are structurally subordinated to the indebtedness and other liabilities of our subsidiaries (other than the Issuers). Accordingly, there may only be a limited amount of assets available to satisfy your claims as a holder of the Notes. In the event of a bankruptcy, liquidation, reorganization or similar proceeding with respect to us or any of our subsidiaries, the assets of our subsidiaries will be available to the Issuers and Charter to satisfy the obligations under the Notes only after all outstanding liabilities of those subsidiaries have been paid in full. As of September 30, 2010, on a pro forma as adjusted basis after giving effect to the prepayment of $631 million of the amounts outstanding under the Charter Operating credit facilities on October 1, 2010, and the sale of the Notes and the anticipated application of the net proceeds therefrom, CCO Holdings and its subsidiaries would have had approximately $11.2 billion of total principal amount of debt and intercompany loans and the Notes would have been structurally subordinated to approximately $8.1 billion of that amount. The terms of our debt instruments permit these subsidiaries to incur additional indebtedness. The guarantee by Charter is unsecured and is structurally subordinated to all liabilities of its subsidiaries.

***Changes in our credit rating could adversely affect the market price or liquidity of the Notes.***

Credit rating agencies continually revise their ratings for the companies that they follow, including us. The credit rating agencies also evaluate our industry as a whole and may change their credit ratings for us based on their overall view of our industry. We cannot be sure that credit rating agencies will maintain their ratings on the Notes. A negative change in our ratings could have an adverse effect on the price of the Notes.

***There is currently no public market for the Notes, and an active trading market may not develop for the Notes. The failure of a market to develop for the Notes could adversely affect the liquidity and value of the Notes.***

Prior to this offering, there was no existing market for the Notes. We do not intend to apply for listing of the Notes or if issued, the exchange notes, on any securities exchange or for quotation of the Notes on any automated dealer quotation system. A market may not develop for the Notes, and if a market does develop, it may not be sufficiently liquid for your purposes. If an active, liquid market does not develop for the Notes, the market price and liquidity of the Notes may be adversely affected. If any of the Notes are traded after their initial issuance, they may trade at a discount from their initial offering price.

The liquidity of the trading market, if any, and future trading prices of the Notes will depend on many factors, including, among other things, prevailing interest rates, our operating results, financial performance and prospects, the market for similar securities and the overall securities market, and may be adversely affected by unfavorable changes in these factors. The market for the Notes may be subject to disruptions that could have a negative effect on the holders of the Notes, regardless of our operating results, financial performance or prospects.

## Risks Related to Our Business

***We operate in a very competitive business environment, which affects our ability to attract and retain customers and can adversely affect our business and operations.***

The industry in which we operate is highly competitive and has become more so in recent years. In some instances, we compete against companies with fewer regulatory burdens, better access to financing, greater personnel resources, greater resources for marketing, greater and more favorable brand name recognition, and long-established relationships with regulatory authorities and customers. Increasing consolidation in the cable industry and the repeal of certain ownership rules have provided additional benefits to certain of our competitors, either through access to financing, resources, or efficiencies of scale.

Our principal competitors for video services throughout our territory are DBS providers. The two largest DBS providers are DirecTV and DISH Network. Competition from DBS, including intensive marketing efforts with aggressive pricing, exclusive programming and increased high definition broadcasting has had an adverse impact on our ability to retain customers. DBS has grown rapidly over the last several years. DBS companies have also expanded their activities in the multiple dwelling unit ( MDU ) market. The cable industry, including us, has lost a significant number of video customers to DBS competition, and we face serious challenges in this area in the future.

Telephone companies, including two major telephone companies, AT&T and Verizon, offer video and other services in competition with us, and we expect they will increasingly do so in the future. Upgraded portions of these networks carry two-way video, data services and provide digital voice services similar to ours. In the case of Verizon, high-speed data services operate at speeds as high as, or higher than, ours. In addition, these companies continue to offer their traditional telephone services, as well as service bundles that include wireless voice services provided by affiliated companies. Based on our internal estimates, we believe that AT&T and Verizon are offering video services in areas serving approximately 27% to 31% of our estimated homes passed as of September 30, 2010, and we have experienced increased customer losses in these areas. AT&T and Verizon have also launched campaigns to capture more of the MDU market. Additional upgrades and product launches are expected in markets in which we operate. With respect to our Internet access services, we face competition, including intensive marketing efforts and aggressive pricing, from telephone companies and other providers of DSL. DSL service competes with our high-speed Internet service and is often offered at prices lower than our Internet services, although often at speeds lower than the speeds we offer. In addition, in many of our markets, these companies have entered into co-marketing arrangements with DBS providers to offer service bundles combining video services provided by a DBS provider with DSL and traditional telephone and wireless services offered by the telephone companies and their affiliates. These service bundles offer customers similar pricing and convenience advantages as our bundles. Moreover, as we continue to market our telephone offerings, we will face considerable competition from established telephone companies and other carriers.

The existence of more than one cable system operating in the same territory is referred to as an overbuild. Overbuilds could adversely affect our growth, financial condition, and results of operations, by creating or increasing competition. Based on internal estimates and excluding telephone companies, as of September 30, 2010, we are aware of traditional overbuild situations impacting approximately 7% to 8% of our estimated homes passed, and potential traditional overbuild situations in areas servicing approximately an additional 2% of our estimated homes passed. Additional overbuild situations may occur in other systems.

In order to attract new customers, from time to time we make promotional offers, including offers of temporarily reduced price or free service. These promotional programs result in significant advertising, programming and operating expenses, and also may require us to make capital expenditures to acquire and install customer premise equipment. Customers who subscribe to our services as a result of these offerings may not remain customers following the end of the promotional period. A failure to retain customers could have a material adverse effect on our business.

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Mergers, joint ventures, and alliances among franchised, wireless, or private cable operators, DBS providers, local exchange carriers, and others, may provide additional benefits to some of our competitors, either through access to financing, resources, or efficiencies of scale, or the ability to provide multiple services in direct competition with us.

In addition to the various competitive factors discussed above, our business is subject to risks relating to increasing competition for the leisure and entertainment time of consumers. Our business competes with all other sources of entertainment and information delivery, including broadcast television, movies, live events, radio broadcasts, home video products, console games, print media, and the Internet. Technological advancements, such as video-on-demand, new video formats, and Internet streaming and downloading, have increased the number of entertainment and information delivery choices available to consumers, and intensified the challenges posed by audience fragmentation. The increasing number of choices available to audiences could also negatively impact advertisers willingness to purchase advertising from us, as well as the price they are willing to pay for advertising. If we do not respond appropriately to further increases in the leisure and entertainment choices available to consumers, our competitive position could deteriorate, and our financial results could suffer.

Our services may not allow us to compete effectively. Additionally, as we expand our offerings to include other telecommunications services, and to introduce new and enhanced services, we will be subject to competition from other providers of the services we offer. Competition may reduce our expected growth of future cash flows which may contribute to future impairments of our franchises and goodwill.

***Economic conditions in the United States may adversely impact the growth of our business.***

We believe that the weakened economic conditions in the United States, including a continued downturn in the housing market and increases in high unemployment levels, have adversely affected consumer demand for our services. In addition, we believe these factors have contributed to an increase in the number of homes that replace their traditional telephone service with wireless service thereby impacting the growth of our telephone business. These conditions have affected our net customer additions and revenue growth during 2009 and 2010 and contributed to the franchise impairment charge incurred in 2009. If these conditions do not improve, we believe the growth of our business and results of operations will be further adversely affected which may contribute to future impairments of our franchises and goodwill.

***We face risks inherent in our telephone and commercial businesses.***

We may encounter unforeseen difficulties as we increase the scale of our service offerings to businesses. We sell video, high-speed data and network and transport services to businesses and have increased our focus on growing this business. In order to grow our commercial business, we expect to increase expenditures on technology, equipment and personnel focused on the commercial business. Commercial business customers often require service level agreements and generally have heightened customer expectations for reliability of services. If our efforts to build the infrastructure to scale the commercial business are not successful, the growth of our commercial services business would be limited. Continued growth in our residential telephone business faces risks. The competitive landscape for residential and commercial telephone services is intense; we face competition from providers of Internet telephone services, as well as incumbent telephone companies. Further, we face increasing competition for residential telephone services as more consumers in the United States are replacing traditional telephone service with wireless service. We depend on interconnection and related services provided by certain third parties for the growth of our commercial business. As a result, our ability to implement changes as the services grow may be limited. If we are unable to meet these service level requirements or expectations, our commercial business could be adversely affected. Finally, we expect advances in communications technology, as well as changes in the marketplace and the regulatory and legislative environment. Consequently, we are unable to predict the effect that ongoing or future developments in these areas might have on our telephone and commercial businesses and operations.

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***Our exposure to the credit risks of our customers, vendors and third parties could adversely affect our cash flow, results of operations and financial condition.***

We are exposed to risks associated with the potential financial instability of our customers, many of whom have been adversely affected by the general economic downturn. Dramatic declines in the housing market over the past year, including falling home prices and increasing foreclosures, together with significant increases in unemployment, have severely affected consumer confidence and caused increased delinquencies or cancellations by our customers or lead to unfavorable changes in the mix of products purchased. The general economic downturn has also affected advertising sales, as companies seek to reduce expenditures and conserve cash. These events have adversely affected, and may continue to adversely affect our cash flow, results of operations and financial condition.

In addition, we are susceptible to risks associated with the potential financial instability of the vendors and third parties on which we rely to provide products and services or to which we outsource certain functions. The same economic conditions that may affect our customers, as well as volatility and disruption in the capital and credit markets, also could adversely affect vendors and third parties and lead to significant increases in prices, reduction in output or the bankruptcy of our vendors or third parties upon which we rely. Any interruption in the services provided by our vendors or by third parties could adversely affect our cash flow, results of operation and financial condition.

***We may not have the ability to reduce the high growth rates of, or pass on to our customers, our increasing programming costs, which would adversely affect our cash flow and operating margins.***

Programming has been, and is expected to continue to be, our largest operating expense item. In recent years, the cable industry has experienced a rapid escalation in the cost of programming. We expect programming costs to continue to increase because of a variety of factors including amounts paid for retransmission consent, annual increases imposed by programmers and additional programming, including high definition and OnDemand programming, being provided to customers. The inability to fully pass these programming cost increases on to our customers has had an adverse impact on our cash flow and operating margins associated with the video product. We have programming contracts that have expired and others that will expire before the end of 2011. There can be no assurance that these agreements will be renewed on favorable or comparable terms. To the extent that we are unable to reach agreement with certain programmers on terms that we believe are reasonable we may be forced to remove such programming channels from our line-up, which could result in a further loss of customers.

Increased demands by owners of some broadcast stations for carriage of other services or payments to those broadcasters for retransmission consent are likely to further increase our programming costs. Federal law allows commercial television broadcast stations to make an election between must-carry rights and an alternative retransmission-consent regime. When a station opts for the latter, cable operators are not allowed to carry the station s signal without the station s permission. In some cases, we carry stations under short-term arrangements while we attempt to negotiate new long-term retransmission agreements. If negotiations with these programmers prove unsuccessful, they could require us to cease carrying their signals, possibly for an indefinite period. Any loss of stations could make our video service less attractive to customers, which could result in less subscription and advertising revenue. In retransmission-consent negotiations, broadcasters often condition consent with respect to one station on carriage of one or more other stations or programming services in which they or their affiliates have an interest. Carriage of these other services, as well as increased fees for retransmission rights, may increase our programming expenses and diminish the amount of capacity we have available to introduce new services, which could have an adverse effect on our business and financial results.

***Our inability to respond to technological developments and meet customer demand for new products and services could limit our ability to compete effectively.***

Our business is characterized by rapid technological change and the introduction of new products and services, some of which are bandwidth-intensive. We may not be able to fund the capital expenditures necessary to keep pace with technological developments, or anticipate the demand of our customers for products and services requiring new technology or bandwidth. Our inability to maintain and expand our upgraded systems and provide advanced services in a timely manner, or to anticipate the demands of the marketplace, could materially adversely affect our ability to attract and retain customers. Consequently, our growth, financial condition and results of operations could suffer materially.

***We depend on third party service providers, suppliers and licensors; thus, if we are unable to procure the necessary services, equipment, software or licenses on reasonable terms and on a timely basis, our ability to offer services could be impaired, and our growth, operations, business, financial results and financial condition could be materially adversely affected.***

We depend on third party service providers, suppliers and licensors to supply some of the services, hardware, software and operational support necessary to provide some of our services. We obtain these materials from a limited number of vendors, some of which do not have a long operating history or which may not be able to continue to supply the equipment and services we desire. Some of our hardware, software and operational support vendors, and service providers represent our sole source of supply or have, either through contract or as a result of intellectual property rights, a position of some exclusivity. If demand exceeds these vendors capacity or if these vendors experience operating or financial difficulties, or are otherwise unable to provide the equipment or services we need in a timely manner and at reasonable prices, our ability to provide some services might be materially adversely affected, or the need to procure or develop alternative sources of the affected materials or services might delay our ability to serve our customers. These events could materially and adversely affect our ability to retain and attract customers, and have a material negative impact on our operations, business, financial results and financial condition. A limited number of vendors of key technologies can lead to less product innovation and higher costs. For these reasons, we generally endeavor to establish alternative vendors for materials we consider critical, but may not be able to establish these relationships or be able to obtain required materials on favorable terms.

In that regard, we currently purchase set-top boxes from a limited number of vendors, because each of our cable systems use one or two proprietary conditional access security schemes, which allows us to regulate subscriber access to some services, such as premium channels. We believe that the proprietary nature of these conditional access schemes makes other manufacturers reluctant to produce set-top boxes. Future innovation in set-top boxes may be restricted until these issues are resolved. In addition, we believe that the general lack of compatibility among set-top box operating systems has slowed the industry s development and deployment of digital set-top box applications.

***Malicious and abusive Internet practices could impair our high-speed Internet services.***

Our high-speed Internet customers utilize our network to access the Internet and, as a consequence, we or they may become victim to common malicious and abusive Internet activities, such as peer-to-peer file sharing, unsolicited mass advertising (i.e., spam ) and dissemination of viruses, worms, and other destructive or disruptive software. These activities could have adverse consequences on our network and our customers, including degradation of service, excessive call volume to call centers, and damage to our or our customers equipment and data. Significant incidents could lead to customer dissatisfaction and, ultimately, loss of customers or revenue, in addition to increased costs to service our customers and protect our network. Any significant loss of high-speed Internet customers or revenue, or significant increase in costs of serving those customers, could adversely affect our growth, financial condition and results of operations.

***For tax purposes, Charter experienced a deemed ownership change upon emergence from Chapter 11 bankruptcy, resulting in an annual limitation on Charter s ability to use its existing net operating loss carryforwards. Charter could experience another deemed ownership change in the future that could further limit its ability to use its net operating loss carryforwards.***

As of December 31, 2009, Charter had approximately $6.3 billion of federal tax net operating losses, resulting in a gross deferred tax asset of approximately $2.2 billion, expiring in the years 2014 through 2028. These losses resulted from the operations of Charter Holdco and its subsidiaries. In addition, as of December 31, 2009, Charter had state tax net operating losses, resulting in a gross deferred tax asset (net of federal tax benefit) of approximately $209 million, generally expiring in years 2010 through 2028. Due to uncertainties in projected future taxable income, valuation allowances have been established against the gross deferred tax assets for book accounting purposes, except for deferred benefits available to offset certain deferred tax liabilities. Such tax net operating losses can accumulate and be used to offset our future taxable income. The consummation of the Plan resulted in an ownership change as defined in Section 382 of the Internal Revenue Code of 1986, as amended (the Code ). In general, an ownership change occurs whenever the percentage of the stock of a corporation owned, directly or indirectly, by 5-percent stockholders (within the meaning of Section 382 of the Code) increases by more than 50 percentage points over the lowest percentage of the stock of such corporation owned, directly or indirectly, by such 5-percent stockholders at any time over the preceding three years. As a result, Charter is subject to an annual limitation on the use of its net operating losses. Further, Charter s net operating loss carryforwards have been reduced by the amount of the cancellation of debt income resulting from the Plan that was allocable to Charter. The limitation on Charter s ability to use its net operating losses, in conjunction with the net operating loss expiration provisions, could materially impact Charter s ability to use its net operating losses to offset future taxable income which could result in Charter being required to make material cash tax payments. Charter s ability to make such income tax payments, if any, will depend at such time on Charter s liquidity or Charter s ability to raise additional capital, and/or on receipt of payments or distributions from Charter Holdco and its subsidiaries, including us.

If Charter were to experience a second ownership change in the future (as a result of purchases and sales of stock by Charter s 5-percent stockholders, new issuances or redemptions of Charter s stock, certain acquisitions of Charter s stock and issuances, redemptions, sales or other dispositions or acquisitions of interests in Charter s 5-percent stockholders), Charter s ability to use its net operating losses could become subject to further limitations. Charter s common stock is subject to certain transfer restrictions contained in our amended and restated certificate of incorporation. These restrictions, which are designed to minimize the likelihood of an ownership change occurring and thereby preserve Charter s ability to utilize its net operating losses, are not currently operative but could become operative in the future if certain events occur and the restrictions are imposed by Charter s board of directors. However, there can be no assurance that Charter s board of directors would choose to impose these restrictions or that such restrictions, if imposed, would prevent an ownership change from occurring.

***If we are unable to attract new key employees, our ability to manage our business could be adversely affected.***

Our operational results during the recent prolonged economic downturn have depended, and our future results will depend, upon the retention and continued performance of our management team. On October 29, 2010, Charter announced the appointment of Christopher L. Winfrey to the position of Executive Vice President and Chief Financial Officer effective November 1, 2010. He filled the vacancy resulting from Eloise Schmitz s departure on July 31, 2010. Kevin D. Howard, Senior Vice President Finance, Controller and Chief Accounting Officer had served as Interim Chief Financial Officer. Our ability to hire new key employees for management positions could be impacted adversely by the competitive environment for management talent in the telecommunications industry. The loss of the services of key members of management and the inability to hire new key employees could adversely affect our ability to manage our business and our future operational and financial results.

**Risks Related to Ownership Positions of Charter s Principal Shareholders**

***If we were to have a person with a 35% or greater voting interest and Paul G. Allen did not maintain a voting interest in us greater than such holder, a change of control default could be triggered under our credit facilities.***

On March 31, 2010, Charter Operating entered into an amended and restated credit agreement governing its credit facility. Such amendment removed the requirement that Mr. Allen retain a voting interest in us. However, the credit agreement continues to provide that a change of control under certain of our other debt instruments could result in an event of default under the credit agreement. Certain of those other instruments define a change of control as including a holder holding more than 35% of our direct or indirect voting interest and the failure by (a) Mr. Allen, (b) his estate, spouse, immediate family members and heirs and (c) any trust, corporation, partnership or other entity, the beneficiaries, stockholders, partners or other owners of which consist exclusively of Mr. Allen or such other persons referred to in (b) above or a combination thereof to maintain a greater percentage of direct or indirect voting interest than such other holder. Such a default could result in the acceleration of repayment of our indebtedness, including borrowings under the Charter Operating credit facilities. See Risks Related to Our Significant Indebtedness and the Notes All of our outstanding debt is subject to change of control provisions. We may not have the ability to raise the funds necessary to fulfill our obligations under our indebtedness following a change of control, which would place us in default under the applicable debt instruments.

***Mr. Allen maintains a substantial voting interest in us and may have interests that conflict with the interests of the holders of the Notes; Charter s principal stockholders, other than Mr. Allen, own a significant amount of Charter s common stock, giving them influence over corporate transactions and other matters.***

As of September 30, 2010, Mr. Allen beneficially owned approximately 40% of the voting power of the capital stock of Charter, and he has the right to elect four of Charter s eleven board members. Mr. Allen thus has the ability to influence fundamental corporate transactions requiring equity holder approval, including, but not limited to, the election of Charter s directors, approval of merger transactions involving Charter and the sale of all or substantially all of Charter s assets. Charter s other principal stockholders have appointed members to Charter s board of directors in accordance with the Plan, including: Mr. Glatt, who is an employee of Apollo Management, L.P.; and Mr. Karsh, who was appointed by Oaktree Opportunities Investments, L.P. and is the president of Oaktree Capital Management, L.P. Funds affiliated with AP Charter Holdings, L.P. beneficially hold approximately 31% of the Class A common stock of Charter representing approximately 20% of the vote. Oaktree Opportunities Investments, L.P. and certain affiliated funds beneficially hold approximately 18% of the Class A common stock of Charter representing approximately 11% of the vote. Funds advised by Franklin Advisers, Inc. beneficially hold approximately 19% of the Class A common stock of Charter representing approximately 12% of the vote. Charter s principal stockholders may be able to exercise substantial influence over all matters requiring stockholder approval, including the election of directors and approval of significant corporate action, such as mergers and other business combination transactions should these stockholders retain a significant ownership interest in us.

Charter s principal stockholders are not restricted from investing in, and have invested in, and engaged in, other businesses involving or related to the operation of cable television systems, video programming, high-speed Internet service, telephone or business and financial transactions conducted through broadband interactivity and Internet services. The principal stockholders may also engage in other businesses that compete or may in the future compete with us.

The principal stockholders substantial influence over our management and affairs could create conflicts of interest if any of them were faced with decisions that could have different implications for them and us.

**Risks Related to Regulatory and Legislative Matters**

***Our business is subject to extensive governmental legislation and regulation, which could adversely affect our business.***

Regulation of the cable industry has increased cable operators operational and administrative expenses and limited their revenues. Cable operators are subject to, among other things:

- rules governing the provision of cable equipment and compatibility with new digital technologies;
- rules and regulations relating to subscriber and employee privacy;
- limited rate regulation;
- rules governing the copyright royalties that must be paid for retransmitting broadcast signals;

requirements governing when a cable system must carry a particular broadcast station and when it must first obtain retransmission consent to carry a broadcast station;

requirements governing the provision of channel capacity to unaffiliated commercial leased access programmers;

rules limiting our ability to enter into exclusive agreements with multiple dwelling unit complexes and control our inside wiring;

rules, regulations, and regulatory policies relating to provision of voice communications and high-speed Internet service;

rules for franchise renewals and transfers; and

other requirements covering a variety of operational areas such as equal employment opportunity, technical standards, and customer service requirements.

Additionally, many aspects of these regulations are currently the subject of judicial proceedings and administrative or legislative proposals. In March 2010, the FCC submitted its National Broadband Plan to Congress and announced its intention to initiate approximately 40 rulemakings addressing a host of issues related to the delivery of broadband services, including video, data, voice over Internet protocol ( VoIP ), and other services. The broad reach of these rulemakings could ultimately impact the environment in which we operate. On December 21, 2010, the FCC enacted new net neutrality rules, regulating the provision of broadband Internet access. There are also ongoing efforts to amend or expand the federal, state, and local regulation of some of our cable systems, which may compound the regulatory risks we already face, and proposals that might make it easier for our employees to unionize. Certain states and localities are considering new cable and telecommunications taxes that could increase operating expenses.

***Our cable system franchises are subject to non-renewal or termination. The failure to renew a franchise in one or more key markets could adversely affect our business.***

Our cable systems generally operate pursuant to franchises, permits, and similar authorizations issued by a state or local governmental authority controlling the public rights-of-way. Many franchises establish comprehensive facilities and service requirements, as well as specific customer service standards and monetary penalties for non-compliance. In many cases, franchises are terminable if the franchisee fails to comply with significant provisions set forth in the franchise agreement governing system operations. Franchises are generally granted for fixed terms and must be periodically renewed. Franchising authorities may resist granting a renewal if either past performance or the prospective operating proposal is considered inadequate. Franchise authorities often demand concessions or other commitments as a condition to renewal. In some instances, local franchises have not been renewed at expiration, and we have operated and are operating under either temporary operating agreements or without a franchise while negotiating renewal terms with the local franchising authorities.

The traditional cable franchising regime is currently undergoing significant change as a result of various federal and state actions. Some of the new state franchising laws do not allow us to immediately opt into statewide franchising until (i) we have completed the term of the local franchise, in good standing, (ii) a competitor has entered the market, or (iii) in limited instances, where the local franchise allows the state franchise license to apply. In many cases, state franchising laws, and their varying application to us and new video providers, will result in less franchise imposed requirements for our competitors who are new entrants than for us until we are able to opt into the applicable state franchise.

We cannot assure you that we will be able to comply with all significant provisions of our franchise agreements and certain of our franchisors have from time to time alleged that we have not complied with these agreements. Additionally, although historically we have renewed our franchises without incurring significant costs, we cannot assure you that we will be able to renew, or to renew as favorably, our franchises in the future. A termination of or a sustained failure to renew a franchise in one or more key markets could adversely affect our business in the affected geographic area.

***Our cable system franchises are non-exclusive. Accordingly, local and state franchising authorities can grant additional franchises and create competition in market areas where none existed previously, resulting in overbuilds, which could adversely affect results of operations.***

Our cable system franchises are non-exclusive. Consequently, local and state franchising authorities can grant additional franchises to competitors in the same geographic area or operate their own cable systems. In some cases, local government entities and municipal utilities may legally compete with us without obtaining a franchise from the local franchising authority. In addition, certain telephone companies are seeking authority to operate in communities without first obtaining a local franchise. As a result, competing operators may build systems in areas in which we hold franchises.

In a series of recent rulemakings, the FCC adopted new rules that streamline entry for new competitors (particularly those affiliated with telephone companies) and reduce franchising burdens for these new entrants. At the same time, a substantial number of states recently have adopted new franchising laws. Again, these new laws were principally designed to streamline entry for new competitors, and they often provide advantages for these new entrants that are not immediately available to existing operators. As a result of these new franchising laws and regulations, we have seen an increase in the number of competitive cable franchises or operating certificates being issued, and we anticipate that trend to continue.

***Local franchise authorities have the ability to impose additional regulatory constraints on our business, which could further increase our expenses.***

In addition to the franchise agreement, cable authorities in some jurisdictions have adopted cable regulatory ordinances that further regulate the operation of cable systems. This additional regulation increases the cost of operating our business. Local franchising authorities may impose new and more restrictive requirements. Local franchising authorities who are certified to regulate rates in the communities where they operate generally have the power to reduce rates and order refunds on the rates charged for basic service and equipment.

***Further regulation of the cable industry could cause us to delay or cancel service or programming enhancements, or impair our ability to raise rates to cover our increasing costs, resulting in increased losses.***

Currently, rate regulation is strictly limited to the basic service tier and associated equipment and installation activities. However, the FCC and Congress continue to be concerned that cable rate increases are exceeding inflation. It is possible that either the FCC or Congress will further restrict the ability of cable system operators to implement rate increases. Should this occur, it would impede our ability to raise our rates. If we are unable to raise our rates in response to increasing costs, our losses would increase.

There has been legislative and regulatory interest in requiring cable operators to offer historically combined programming services on an á la carte basis. It is possible that new marketing restrictions could be adopted in the future. Such restrictions could adversely affect our operations.

***Actions by pole owners might subject us to significantly increased pole attachment costs.***

Pole attachments are cable wires that are attached to utility poles. Cable system attachments to public utility poles historically have been regulated at the federal or state level, generally resulting in favorable pole attachment rates for attachments used to provide cable service. The FCC previously determined that the lower cable rate was applicable to the mixed use of a pole attachment for the provision of both cable and Internet access services. However, in late 2007, the FCC issued a Notice of Proposed Rulemaking ( NPRM ), in which it tentatively concludes that this approach should be modified. In 2009, a group of electric utilities petitioned the FCC to increase the pole attachment rates applicable to voice service provided through any technology. These changes could affect the pole attachment rates we pay when we offer either data or voice services over our broadband facility. Any changes in the FCC approach could result in a substantial increase in our pole attachment costs. In its March 2010 National Broadband Plan and a May 2010 NPRM, however, the FCC suggested it might actually lower the pole attachment rates applicable to telecommunications delivery to the prevailing cable rate calculation.

***Increasing regulation of our Internet service product could adversely affect our ability to provide new products and services.***

There has been continued advocacy by certain Internet content providers and consumer groups for new federal laws or regulations to adopt so-called net neutrality principles limiting the ability of broadband network owners (like us) to manage and control their own networks. In August 2005, the FCC issued a nonbinding policy statement identifying four principles it deemed necessary to ensure continuation of an open internet that is not unduly restricted by network gatekeepers . In August 2008, the FCC issued an order concerning one Internet network management practice in use by another cable operator, effectively treating the four principles as rules and ordering a change in network management practices. On April 6, 2010, the United States Court of Appeals for the D.C. Circuit concluded that the FCC lacked jurisdictional authority and vacated the FCC s 2008 order. On December 21, 2010, the FCC responded by enacting new net neutrality rules based on three core principles of: (1) transparency, (2) no blocking, and (3) no unreasonable discrimination. The transparency rule requires broadband Internet access providers to disclose applicable terms, performance, and network management practices to consumers and third party users. The no blocking rule restricts Internet access providers from blocking lawful content, applications, services, or devices. The no unreasonable discrimination rule prohibits Internet access providers from engaging in unreasonable discrimination in transmitting lawful traffic. The new rules permit broadband service providers to exercise reasonable network management for legitimate management purposes, such as management of congestion, harmful traffic, and network security. The rules also permit usage-based billing, and permit broadband service providers to offer additional specialized services such as facilities-based IP voice services, without being subject to restrictions on discrimination. When they become effective, the FCC will enforce these rules based on case-by-case complaints. Although the new rules encompass both wireline providers (like us) and wireless providers, the rules are less stringent with regard to wireless providers. The FCC premised the new net neutrality rules on its Title I and ancillary jurisdiction, and that jurisdictional authority is likely to be challenged in court. A legislative review is also possible. The FCC s new rules, if they withstand such challenges, as well as any additional legislation or regulation, could impose new obligations and restraints on high-speed Internet providers. Any such rules or statutes could limit our ability to manage our cable systems to obtain value for use of our cable systems and respond to operational and competitive challenges.

***Changes in channel carriage regulations could impose significant additional costs on us.***

Cable operators also face significant regulation of their channel carriage. We can be required to devote substantial capacity to the carriage of programming that we might not carry voluntarily, including certain local broadcast signals; local public, educational and government access ( PEG ) programming; and unaffiliated, commercial leased access programming (required channel capacity for use by persons unaffiliated with the cable operator who desire to distribute programming over a cable system). The FCC adopted a plan in 2007 addressing the cable industry s broadcast carriage obligations once the broadcast industry migration from analog to digital transmission is completed, which occurred in June 2009. Under the FCC s plan, most cable systems are required to offer both an analog and digital version of local broadcast signals for three years after the June 12, 2009 digital transition date. This burden could increase further if we are required to carry multiple programming streams included within a single digital broadcast transmission (multicast carriage) or if our broadcast carriage obligations are otherwise expanded. At the same time, the cost that cable operators face to secure retransmission consent for the carriage of popular broadcast stations is increasing significantly. The FCC also adopted new commercial leased access rules (currently stayed while under appeal) which dramatically reduce the rate we can charge for leasing this capacity and dramatically increase our associated administrative burdens. These regulatory changes could disrupt existing programming commitments, interfere with our preferred use of limited channel capacity, and limit our ability to offer services that would maximize our revenue potential. It is possible that other legal restraints will be adopted limiting our discretion over programming decisions.

***Offering voice communications service may subject us to additional regulatory burdens, causing us to incur additional costs.***

We offer voice communications services over our broadband network and continue to develop and deploy VoIP services. The FCC has declared that certain VoIP services are not subject to traditional state public utility regulation. The full extent of the FCC preemption of state and local regulation of VoIP services is not yet clear. Expanding our offering of these services may require us to obtain certain authorizations, including federal and state licenses. We may not be able to obtain such authorizations in a timely manner, or conditions could be imposed upon such licenses or authorizations that may not be favorable to us. The FCC has extended certain traditional telecommunications requirements, such as E911, Universal Service fund collection, CALEA, Customer Proprietary Network Information and telephone relay requirements to many VoIP providers such as us. Telecommunications companies generally are subject to other significant regulation which could also be extended to VoIP providers. If additional telecommunications regulations are applied to our VoIP service, it could cause us to incur additional costs.

## USE OF PROCEEDS

We intend to use the proceeds of this offering (i) to repay borrowings under one or more term loan portions of Charter Operating s credit facilities, which may include term loans held by affiliates of certain of the underwriters or Charter, (ii) to pay fees and expenses related to this offering, and (iii) for general corporate purposes.

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## CAPITALIZATION

The following table sets forth, as of September 30, 2010, for Charter and its subsidiaries on a consolidated basis:

cash and cash equivalents;

the actual (historical) capitalization of Charter;

the capitalization of Charter, on a pro forma basis to reflect the prepayment of $631 million of the amounts outstanding under the Charter Operating credit facilities on October 1, 2010; and

the capitalization of Charter on a pro forma basis as adjusted basis to reflect the issuance and sale of the Notes offered hereby and the application of the use of proceeds as set forth in Use of Proceeds.

The following information should be read in conjunction with the historical consolidated financial statements and related notes included in the SEC reports incorporated by reference herein. See also Description of Certain Indebtedness.

The financial data is not intended to provide any indication of what our actual financial position, including actual cash balances and revolver borrowings, or results of operations would have been had the transactions described above been completed on the dates indicated or to project our results of operations for any future date.

| | September 30, 2010 | | | |
|---|---|---|---|---|
| | Accreted Value Historical(a) | Principal Amount Historical(a) | Principal Amount Pro Forma(a) | Principal Amount Pro Forma As Adjusted(a) |
| | (In millions) | | | |
| Cash and cash equivalents(b) | $ 682 | $ 682 | $ 51 | $ 51 |
| Debt: | | | | |
| Charter Communications Operating, LLC: | | | | |
| 8.000% senior second-lien notes due April 30, 2012 | $ 1,114 | $ 1,100 | $ 1,100 | $ 1,100 |
| 10.875% senior second-lien notes due September 15, 2014 | 594 | 546 | 546 | 546 |
| Credit facilities | 6,489 | 6,888 | 6,257 | 5,519 |
| Charter Operating consolidated debt(c) | 8,197 | 8,534 | 7,903 | 7,165 |
| CCO Holdings, LLC: | | | | |
| Notes offered hereby | | | | 750 |
| 7.875% senior notes due April 30, 2018 | 900 | 900 | 900 | 900 |
| 8.125% senior notes due April 30, 2020 | 700 | 700 | 700 | 700 |
| 7.25% senior notes due October 30, 2017 | 1,000 | 1,000 | 1,000 | 1,000 |

| | | | | |
|---|---|---|---|---|
| Credit facility | 311 | 350 | 350 | 350 |
| CCO Holdings consolidated debt(c) | 11,108 | 11,484 | 10,853 | 10,865 |
| CCH II, LLC: | | | | |
| 13.500% senior notes due November 30, 2016 | 2,066 | 1,766 | 1,766 | 1,766 |
| Total Charter consolidated debt(c) | 13,174 | 13,250 | 12,619 | 12,631 |
| Charter shareholders equity | 1,523 | 1,523 | 1,523 | 1,523 |
| **Total Capitalization** | $ 14,697 | $ 14,773 | $ 14,142 | $ 14,154 |

(a) The accreted values of the CCH II and Charter Operating notes and the CCO Holdings and Charter Operating credit facilities presented above represent the fair value of the debt as of the Effective Date, plus accretion to the balance sheet dates. However, the amount that is currently payable if the debt becomes immediately due is

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equal to the principal amount of the debt. We had availability under the revolving portion of our credit facility of approximately $1.2 billion as of September 30, 2010. Subsequent to the October 1, 2010 prepayment reflected in the pro forma column above, $266 million of net paydowns have been made on the Charter Operating credit facilities.

(b) Includes restricted cash of approximately $27 million.

(c) Does not include $542 million of intercompany loans. Intercompany loan balances consolidate out at the applicable entities as follows: $252 million owed by Charter Operating to CCO Holdings, $248 million owed by Charter Operating to CCH II and $42 million owed by Charter Operating to Charter Holdco.

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## DESCRIPTION OF CERTAIN INDEBTEDNESS

As of September 30, 2010, the accreted value of Charter s total debt was approximately $13.2 billion, as summarized below:

| | September 30, 2010 Principal Amount | Accreted Value(a) | Semi-Annual Interest Payment Dates | Maturity Date(b) |
|---|---|---|---|---|
| | (In millions) | | | |
| **Charter Communications Operating, LLC:** | | | | |
| 8.000% senior second-lien notes due April 30, 2012 | $ 1,100 | $ 1,114 | 4/30 & 10/30 | 4/30/12 |
| 10.875% senior second-lien notes due September 15, 2014 | 546 | 594 | 3/15 & 9/15 | 9/15/14 |
| Credit facilities(c) | 6,888 | 6,489 | | |
| Charter Operating consolidated debt | 8,534 | 8,197 | | |
| **CCO Holdings, LLC:** | | | | |
| 7.875% senior notes due April 30, 2018 | 900 | 900 | 4/30 & 10/30 | 4/30/18 |
| 8.125% senior notes due April 30, 2020 | 700 | 700 | 4/30 & 10/30 | 4/30/20 |
| 7.25% senior notes due October 30, 2017 | 1,000 | 1,000 | 4/30 & 10/30 | |