

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION

FILED

COMCAST OF POTOMAC, LLC,

Plaintiff,

v.

MELODY KHALATBARI,

Defendant.

CIVIL ACTION NO. 1:05cv 942

CLERK OF COURT
JULY 11 2005
[Signature]

**PLAINTIFF'S BRIEF IN SUPPORT OF MOTION
FOR TEMPORARY RESTRAINING ORDER AND PRELIMINARY INJUNCTION**

Plaintiff Comcast Cablevision of Potomac, LLC ("Comcast" or "the Company") seeks a temporary restraining order and preliminary injunction prohibiting Defendant Melody Khalatbari ("Defendant" or "Ms. Khalatbari"), a former Comcast employee, from using or disclosing confidential and trade secret information which she misappropriated from Comcast shortly before announcing her resignation from the Company.

Ms. Khalatbari worked for Comcast as Public Affairs Manager in Montgomery County, Maryland for almost three years. In this capacity, Ms. Khalatbari was given access to sensitive trade secret and confidential information belonging to Comcast for the sole purpose of performing her work-related duties. On August 8, 2005, Ms. Khalatbari resigned from her position at Comcast, announcing that she was going to begin working for Verizon Communications ("Verizon"), a direct competitor of Comcast. Following Ms. Khalatbari's departure, Comcast discovered that, in the days immediately prior to her resignation, Ms. Khalatbari had forwarded to her home email address over 75 documents belonging to

Comcast, including highly sensitive confidential customer lists containing customer name and address information.

Comcast now seeks a temporary restraining order and preliminary injunction ordering Ms. Khalatbari not to use or disclose this information, as well as any other confidential or trade secret information belonging to Comcast which Ms. Khalatbari currently has in her possession or control, and to return that information and all other Comcast property in her possession.

STATEMENT OF THE CASE

By complaint filed August 16, 2005, Comcast sued Ms. Khalatbari, a former Comcast employee responsible for public and government affairs in Montgomery County, Maryland. The complaint states three counts: (1) breach of fiduciary duty of loyalty; (2) misappropriation of trade secrets under the Virginia Uniform Trade Secret Act, Va. Code Ann. § 59.1-336 ("VUTSA"); and (3) conversion.

Ms. Khalatbari has been duly served with the complaint, as well as Comcast's motion for temporary restraining order and preliminary injunction.

STATEMENT OF MATERIAL FACTS¹

Comcast has submitted declarations and documentary evidence, and will present evidence at the hearing for this motion, which demonstrates that: (1) Comcast reposed its trust in Ms. Khalatbari by permitting her access to Comcast confidential and proprietary information; (2) Comcast took reasonable steps to protect the confidentiality and security of such information; and (3) while a Comcast employee, Ms. Khalatbari misappropriated such information by

¹ The facts stated herein are a summary of the allegations of the Complaint and the Declarations of Craig Snedeker, Lisa Altman and Thomas Jefferson, which have been submitted by Comcast in support of this motion.

emailing voluminous documents to her home computer in anticipation and in preparation for her resignation from Comcast and subsequent employment with Verizon, a direct competitor of Comcast.

A. The Parties

Comcast is a Delaware limited liability company with a principal place of business in Maryland. (Compl. ¶ 1). Comcast offers, among other products and services, cable television, broadband internet and telephone service to both residential and commercial customers, also known as “subscribers.” (Declaration of Craig Snedeker (“Snedeker Decl.”) ¶ 3).

As a cable operator, Comcast is regulated by the federal Cable Communications Act of 1984 (“the Cable Act”), 47 U.S.C.A. §§ 501, *et seq.* (Compl. ¶ 12); (Snedeker Decl. ¶ 11). Section 551 of the Cable Act prohibits a cable operator from disclosing “personally identifiable information concerning any subscriber” except under certain conditions. Section 551 also requires cable operators, such as Comcast, to “take such actions as are necessary to prevent unauthorized access to such information by a person other than the subscriber or cable operator.”

Ms. Khalatbari is a citizen of the commonwealth of Virginia who was employed by Comcast from January 2003 until her resignation on Monday, August 8, 2005. (Compl. ¶ 2). Ms. Khalatbari was employed by Comcast as a Manager of Public Affairs responsible for Montgomery County, Maryland. (Snedeker Decl. ¶ 5). Upon announcing her resignation from Comcast, Ms. Khalatbari stated that she had accepted employment with Verizon where she would be working in a similar capacity, as a Manager of External Affairs for Montgomery County and Prince Georges County, Maryland. (Snedeker Decl. ¶ 21).

B. Ms. Khalatbari's Employment With Comcast, Her Access To Comcast Confidential Information, And The Steps Taken By Comcast To Protect Such Information.

While at Comcast, Ms. Khalatbari held a position of responsibility, trust and confidence and maintained a public profile in the local community on behalf of Comcast. (Snedeker Decl. ¶ 5). In her position, Ms. Khalatbari was responsible for developing and implementing public affairs activities in Montgomery County, Maryland, including outreach to community-based organizations, local schools and government offices. (Snedeker Decl. ¶ 6). Together with other departments, such as Marketing and Sales, Advertising Sales, Commercial Sales and Government Relations, Ms. Khalatbari was involved in generating positive media, public recognition and market share for Comcast in Montgomery County, Maryland. (*Id.*).

Ms. Khalatbari, as a Comcast employee, had a duty to protect and not to misuse the confidential information belonging to Comcast, including but not limited to, customer or subscriber lists, customer contact information, customer billing information, marketing plans, business plans, cable franchise information, contact lists for government officials, community groups, service interruption and outage reports, customer complaints, proposed rates and proposed rate increases, outlines and work product prepared by Comcast personnel for internal use, analysis and corporate strategy ("Comcast Confidential Information"). (Compl. ¶ 8). Ms. Khalatbari was given access to the Comcast Confidential Information solely for the purpose of performing her Comcast duties, including her efforts to engage in community outreach and respond to customer issues and government inquiries. (*Id.*).

Certain Comcast Confidential Information is stored as computer data and computer files. (Snedeker Decl. ¶ 18). Ms. Khalatbari was issued a Comcast laptop computer

and given access to computer data and files that constitute Comcast Confidential Information for the sole purpose of facilitating her performance of services for Comcast. (*Id.* at ¶ 19).

Comcast has implemented strict procedures to protect the confidentiality of its business information, including information kept in computerized and non-computerized form. (Snedeker Decl. ¶ 13). These procedures are set forth in, among other places, the Comcast Code of Ethics and Business Conduct ("Code of Ethics"), the Comcast Employee Handbook ("Employee Handbook"), and the Comcast Information Security and Electronic Security Guidelines. (*Id.*).

The Employee Handbook provides, in relevant part:

Our Policy:

It is the responsibility of all Comcast employees to maintain the confidentiality of information about Comcast, its customers and its employees and to take precautions to protect against the unauthorized disclosure of this information.

Comcast employees may learn or have access to sensitive information concerning Comcast's business. Employees may also be entrusted with confidential information concerning customers and/or co-workers such as name, address, phone number(s), billing information and selection of services.

Confidential information includes, but is not limited to, the following:

- Customer Information, including contracts
- * *
- Business plans
- Technological research and development
- Trade secrets and other sensitive Company Information
- Product documentation, marketing plans and pricing information
- Financial and or budgetary information

* * *

Applies to:

All Comcasters

Details:

Employees must ensure that confidential documents are not left on desktops during work hours if the desk is unattended or after work hours. Care should also be taken to protect computer-based information. For more information on how to protect electronic data, please read the Electronic Security Policy.

Employees should take care in discussing confidential information and should only do so as it is required to perform the duties of their job.

For more information regarding the importance of confidentiality, please read the Comcast Corporation Code of Ethics and Business Conduct.

Employees should handle personal health information as described above, in accordance with the Comcast Statement of Privacy.

Remedy:

Unauthorized disclosure or misuse of confidential information may result in discipline, up to and including termination from employment.

(Employee Handbook, attached as Exhibit A to Snedeker Decl.).

The Code of Ethics, in turn, includes the following specific provisions:

- “Employees, officers and directors have a duty of loyalty to the Company. This means that employees, officers and directors are prohibited from . . . using the Company’s property or information . . . for personal gain.” (Code of Ethics, p. 6).
- “An employee, officer or director may learn or have access to non-public information concerning the Company’s affairs or may be entrusted with confidential information concerning customers . . . while performing his or her duties. That trust, and potentially criminal and other laws, are violated when confidential information is disclosed. It is every employee, officer and director’s responsibility to safeguard and preserve the confidentiality of all Company information which is acquired as a result of his or her employment or service with the Company.” (Code of Ethics, p. 16).

- “All non-public information concerning the Company . . . is the property of the Company and due care must be taken to safeguard its confidentiality. Special care must be taken in everyday matters such as protecting against unauthorized entry to Company work areas, not leaving papers in conference rooms or other open work areas, not leaving notes on blackboards or white boards in conference rooms or offices, not sharing passwords or card keys, and using caution in discussing Company business in public places.” (Code of Ethics, p. 16).
- “All records, files and documents containing confidential information must be returned to the Company when employment or service ends.” (Code of Ethics, p. 16).
- “As part of their duties, employees, officers and directors may be granted access to transactional, financial or other personal information of our customers. Customers impart this information for the purpose of obtaining a service and expect that its confidentiality will be maintained. Unless authorized by a Senior Attorney, customer records should not be disclosed to other employees, officers or directors of the Company unless necessary for them to perform their duties or service, or to anyone outside the Company.” (Code of Ethics, p. 17).
- “The Company holds customer privacy in the highest regard. As a cable operator, the Company is subject to one of the strictest federal privacy laws that applies to any industry. Unauthorized collection, disclosure, use or retention of personally identifiable information about customers is prohibited by law and this policy. The Company communicates its privacy policies to customers through annual notifications in compliance with applicable law. All employees should be aware of these privacy policies.” (Code of Ethics, p. 17) (emphasis added).

(Code of Ethics, attached as Ex. B to Snedeker Decl.).

In addition to these policies, Comcast employees are instructed on Comcast’s document retention and destruction policies. Sensitive or confidential documents are shredded once their intended use is completed. Comcast facilities containing confidential information are

kept locked on a continuous basis, with access to the facility available to authorized Comcast employees through a card key system.

Ms. Khalatbari was well aware of Comcast's confidentiality policies. While employed by Comcast, Ms. Khalatbari acknowledged in writing on several occasions her obligation to maintain the confidentiality of all Comcast business information, including Comcast Confidential Information. (Snedeker Decl. ¶ 17; Ex. C to Snedeker Decl.). Ms. Khalatbari further acknowledged that all non-public information concerning Comcast was Comcast property and would be returned to Comcast upon termination of employment. (*Id.*).

As set forth above, all Comcast employees are also specifically instructed on the importance of protecting and not disclosing to third parties personally-identifying information for Comcast cable subscribers, except in strict compliance with the provisions of the Cable Act. (Snedeker Decl. ¶ 11).

C. Events Leading Up To Ms. Khalatbari's Resignation And Ms. Khalatbari's Actions In Misappropriating Comcast's Confidential And Trade Secret Information.

On August 8, 2005, without prior notice, Ms. Khalatbari tendered her resignation to Comcast. (Snedeker Decl. ¶¶ 20, 22).

On Friday, July 29, 2005, computerized files indicate that Ms. Khalatbari drafted a resignation letter to Comcast and emailed it to herself (although she did not give a copy of the letter to Comcast until 10 days later, on August 8, 2005). Over the next several days, beginning on Friday, July 29, 2005, at 10:38 a.m., and continuing through Friday, August 5, 2005, at 11:02 a.m., Ms. Khalatbari transferred from her work computer in excess of seventy-five Comcast company documents to her home computer at her home email address. Among these documents were highly sensitive and confidential lists of subscribers, including targeted lists of

hundreds of the best (highest revenue producing), highest profile, or most satisfied customers, known as "Platinum," "VIP" or "Happy Customer" Lists. She also emailed lists of subscribers with complaints or service outage issues. These lists included personally identifiable information, such as name, address, phone number or other contact information. (*See generally* Declaration of Lisa Altman ("Altman Decl.")). In the hands of a Comcast competitor, these lists would provide an extremely valuable roadmap for targeted solicitation of Comcast customers. Moreover, because Ms. Khalatbari had a company-issued laptop computer, there would have been no legitimate need or reason for Ms. Khalatbari to send such information to her home computer – even if she planned to work on the information at a remote site. Indeed, if she needed to work on information at home, she easily could have done so on her Comcast-issued laptop computer.

Prior to announcing her resignation on Monday, August 8, 2005, Ms. Khalatbari went into her office in the Comcast facility, apparently over the weekend when the facility was closed, and cleared out her office of personal items. (Altman Decl. ¶ 7). It is unknown at the present time whether Ms. Khalatbari removed additional Comcast Confidential Information in a hardcopy or other form.

Following her transfer of Comcast Confidential Information to her home computer (and prior to announcing her resignation to Comcast), Ms. Khalatbari attempted to delete evidence of her email transfers to her home computer. (Altman Decl. ¶ 11). Upon information and belief, Ms. Khalatbari wrongfully and intentionally took Comcast Confidential Information, attempted to remove any evidence of her taking that information, and currently intends to use such information in her new position at Verizon.

D. Ms. Khalatbari's Resignation And Comcast's Subsequent Discovery Of Her Misappropriation of Comcast Confidential Information.

On the morning of Monday, August 8, 2005, Ms. Khalatbari met with Mr. Snedeker and announced that she was resigning and that she would be joining one of Comcast's principal competitors, Verizon. (Snedeker Decl. ¶¶ 7, 20). Mr. Snedeker was both surprised and disappointed to learn that Ms. Khalatbari was planning to accept employment with a direct competitor. (Snedeker Decl. ¶ 22). Ms. Snedeker attempted, but was unsuccessful, in persuading Ms. Khalatbari not to leave Comcast. (Snedeker Decl. ¶ 23).

Comcast employees found that Ms. Khalatbari had already cleaned out her office prior to announcing her resignation, apparently over the weekend and apparently in anticipation that August 8, 2005 would be her last day of work. (Altman Decl. ¶ 7). Ms. Khalatbari left the office around lunch time on August 8th; that was her last day of work for Comcast. (Snedeker Decl. ¶ 23).

The next day, Ms. Khalatbari came in for an exit interview with Thomas Jefferson, Regional Vice President for Human Resources. (Snedeker Decl. ¶ 24); (Declaration of Thomas Jefferson ("Jefferson Decl.") ¶¶ 3-4). During the exit interview, Ms. Khalatbari also returned her laptop and a 40-page document which Mr. Snedeker had specifically asked her about, but she returned no other documents. (Snedeker Decl. ¶ 24). During the exit interview, Mr. Jefferson reminded her of her ethical obligations and the requirement that that she was not to take, keep or use Company property or confidential information. (Jefferson Decl. ¶ 5). Ms. Khalatbari stated to Mr. Jefferson that she had not done so. (Jefferson Decl. ¶ 6).

Subsequent to her exit interview, Mr. Snedeker asked Lisa Altman, the Regional Manager of Communications for the Comcast Washington, D.C. metropolitan area, to assume responsibility for some of Ms. Khalatbari's job duties on an interim basis. (Snedeker Decl. ¶ 25)

(Altman Decl. ¶ 8). Ms. Altman was given access to Ms. Khalatbari's email account to assist in carrying out this function. (Snedeker Decl. ¶ 26); (Altman Decl. ¶ 8).

Later in the day of Tuesday, August 9, 2005, Ms. Altman noticed a large number of deleted email messages in Melody Khalatbari's email account. (Altman Decl. ¶ 11). Ms. Altman "recovered" the deleted messages and found that they were messages sent by Ms. Khalatbari from her work computer to her personal or home email account, many of which contained numerous attachments. (Altman Decl. ¶¶ 10-12).

Ms. Khalatbari had sent the emails to her personal email account between July 29 and August 5, 2005. (Altman Decl. ¶ 11). Ms. Altman further investigated the deleted email messages and realized that the attachments to the emails that Ms. Khalatbari had sent to her personal email account were Comcast company records, including a number of sensitive, highly confidential documents and numerous types of subscriber lists containing personally identifiable information. (Altman Decl. ¶ 12).

The emails that Ms. Altman found included the following:²

- Friday, July 29, 2005, 10:38 a.m.: with attachment consisting of a 39 page nationwide, alphabetical list of certain cable franchises identified by Comcast as having some version of a "level playing field" clause.
- Friday, July 29, 2005, 3:43 p.m.: with attachment consisting of a spreadsheet called "Final Programming List."
- Monday, August 1, 2005, 1:15 p.m.: with attachment consisting of a draft of a letter to Montgomery County entitled "Channel Change."
- Monday, August 2005, 6:16 p.m.: with several attachments, including agendas and contact lists for something called the "Comcast Advisory Group."

² Due to the confidentiality and privacy concerns, the actual emails with all of the attachments will either be submitted for in camera inspection and/or filed under seal pursuant to E.D. Va. R. 5.

- Monday, August 1, 2005, 7:32 p.m.: with seven attachments entitled:
 - (i) Addresses for CLE email.
 - (ii) E-mails addresses 7-19-05.
 - (iii) A subscriber list entitled "Happy Customers."
 - (iv) Comcast of Montgomery Leadership Team Roster.
 - (v) Service Interruption backup.
 - (vi) Gaithersburg Compliance Report.
 - (vii) VIPs 7-12-05
- Monday, August 1, 2005, 7:33 p.m.: with six attachments, including highly proprietary subscriber lists and contact lists for VIPs. The attachments were entitled:
 - (i) Additions to VIP list.doc.
 - (ii) Delegation Homes.xls.
 - (iii) Outage 8.28.04.xls.
 - (iv) Platinum subs 9.28.04.xls.
 - (v) VIP by Nodes.xls.
 - (vi) VIP Subs 10.29.04.xls.³
- Wednesday, August 3, 2005, 3:01 p.m.: with **twenty-five** Excel and Word attachments. Key among those twenty-five are attachments titled: Correspondence Log.doc, County Complaint updates.doc, Customer service provisions.doc, Overbuild questions.doc, Quirky Franchise Requirements, Quirky Franchise Requirements 2, and Rate Increase Chart.xls.
- Wednesday, August 3, 2005, 3:03 p.m.: with another **twenty-one** attachments in Word and Adobe Acrobat format, all of which related to dealings with local governmental officials.
- Wednesday, August 3, 2005, 3:05 p.m.: with fifteen more attachments, all in Word format, consisting of various templates for letters, lists and meeting outlines.
- Wednesday, August 3, 2005, 3:06 p.m.: with one letter from November 2003 attached concerning Comcast's response to Hurricane Isabel.
- Friday, August 5, 2005, 11:02 a.m.: containing the text of a letter sent August 18, 2003.

³ These attachments were mostly Excel spreadsheets. "Platinum" is a reference to Comcast's 300-500 highest paying customers in the area. "VIP" refers to a customer who may be an elected official or public figure.

(Altman Decl. ¶ 13).

Ms. Altman immediately reported what she had discovered to other Comcast managers locally, regionally and at the Atlantic Division level. (Altman Decl. ¶ 14).

ARGUMENT

Unless immediate relief is granted, Comcast will be irreparably harmed. In particular, Comcast's ability to protect its confidential and trade secret information will be severely damaged if Ms. Khalatbari is permitted to retain such information and to use or disclose such information on behalf of her intended employer, Verizon, or otherwise.

A. Legal Standards Applicable To Granting of Preliminary Injunction

Where, as here, a company faces the imminent loss of its trade secret and confidential information, courts in this district have consistently recognized that preliminary injunctive relief is an appropriate remedy. *See, e.g., Datatel, Inc. v. Rose & Tuck, LLC*, No. Civ. A. 05-495, 2005 WL 1668020, at *8 (E.D. Va. Jun. 17, 2005) ("If Datatel's trade secrets are disclosed, divulged, or disseminated to third parties, Datatel would face a continual loss of its intellectual property"; accordingly, "[t]he Court finds that the *preliminary injunction is the only remedy available* to prevent future misappropriation of Datatel's trade secrets and loss of confidentiality.") (emphasis added).

When considering a motion for injunctive relief, courts in the Fourth Circuit apply the "balance of hardships" test as set forth in *Blackwelder Furniture Co. v. Seilig Mfg. Co.*, 550 F.2d 189 (4th Cir. 1977). Under the "balance of hardship test," courts consider the following four factors in "flexible interplay":

- (1) the likelihood of irreparable harm to the plaintiff without the injunction;
- (2) the likelihood of harm to the defendant with an injunction;

- (3) the plaintiff's likelihood of success on the merits; and
- (4) the public interest.

See *Merrill Lynch, Pierce Fenner & Smith, Inc. v. Bradley*, 756 F.2d 1048, 1054 (4th Cir. 1985) (citing *Blackwelder*). The first two prongs are the most important. *Id.*

In *Blackwelder*, the Fourth Circuit ruled that the lower court had erred in denying the plaintiff's request for preliminary injunctive relief on the grounds that plaintiff had failed to adequately show "likelihood of success" on the merits. *Blackwelder*, 550 F.2d at 195. In reversing the lower court, the *Blackwelder* court held that a plaintiff is not necessarily required to establish "likelihood of success" in order to be entitled to preliminary injunctive relief; rather, if there is "a decided imbalance of hardship" which favors the plaintiff, "then the likelihood-of-success factor is displaced," and the court should adopt a test which considers only whether the plaintiff has raised serious issues on the merits which "make them fair ground for litigation and thus for more deliberate investigation." *Id.*; see also *Merrill Lynch*, 756 F.2d at 1054-55 ("If the balance of hardship tips decidedly in plaintiff's favor, the district court may grant a preliminary injunction if it determines that the dispute presents a serious issue for litigation and that the injunction will serve the public interest.").

In reversing the lower court's denial of preliminary relief on the facts before it, the *Blackwelder* court held that, although the eventual outcome on the merits of the case was not clear, because there was sufficient evidence to establish that the plaintiff had "not embarked on frivolous litigation," preliminary relief would be granted where the plaintiff could show "a need for protection which outweighs any probable injury to [the defendant]." *Blackwelder*, 550 F.2d at 195-96.

These principles are applied below, and point inexorably to the issuance of a preliminary injunction against Ms. Khalatbari's use or disclosure of Comcast Confidential Information.

B. Comcast Will Suffer Irreparable Harm If Preliminary Relief Is Not Granted.

The harm to Comcast in the absence of a preliminary injunction in the instant case will be both irreparable and immediate. Where, as here, the injunction is being sought to prevent the threatened loss of customers, trade secrets, competitive advantages, and goodwill, courts have found that "irreparable harm" is presumptively established and warrants preliminary relief. *See, e.g., Merrill Lynch*, 756 F.2d at 1055 (upholding preliminary injunction preventing former account executive from using firm's records on the grounds that "Merrill Lynch faced irreparable, noncompensable harm in the loss of its customers"); *Multi-Channel TV Cable Co. v. Charlottesville Quality Cable Oper. Co.*, 22 F.3d 546, 551-52 (4th Cir. 1994) ("when the failure to grant preliminary relief creates the possibility of permanent loss of customers to a competitor or the loss of goodwill, the irreparable injury prong is satisfied").

In assessing this prong of the test, the *Blackwelder* court again made plain that the test is a balanced and flexible one. Under *Blackwelder*, a plaintiff is not required to establish significant or catastrophic irreparable harm to satisfy this prong; rather, the "more important question is the *relative* quantum and quality of the plaintiff's likely harm" when compared against the defendant's likely harm if an injunction is granted. *Blackwelder*, 550 F.2d at 196 (emphasis added). The *Blackwelder* court went on to hold on the facts before it that where the plaintiff's threatened harm involved lost profits from lost good will, such losses are difficult to calculate and thus are sufficient to constitute "irreparable harm"; again, the court noted, the threatened loss does not have to be "incalculably great . . . , just incalculable." *Id.* at 197.

Here, Comcast has presented evidence that Ms. Khalatbari wrongfully removed information and that such removal threatens to cause Comcast to lose trade secret and confidential information to a competitor. The customer lists (including top-revenue producing customers and customers with service issues) would provide a veritable road map to Verizon, or other Comcast competitors, interested in targeting Comcast's customer base. The potential harm from the loss of trade secrets, loss of customers and loss of good will is incalculable. Moreover, as indicated above, the misuse of Comcast's confidential information may specifically present issues under the Cable Act, which Ms. Khalatbari should be prohibited from violating. On these facts (particularly when weighed against Defendant's almost non-existent harm, as discussed below), it is manifest that Comcast has established the "irreparable injury" prong entitling it to preliminary injunctive relief.

C. Ms. Khalatbari Will Not Suffer Significant Harm If An Injunction Is Granted.

The second *Blackwelder* factor is the likelihood of harm to the defendant if an injunction is entered. In the instant case, there will be no cognizable harm (or, at least, no cognizable, legitimate harm) to Ms. Khalatbari whatsoever if an injunction is entered. All that Comcast seeks in the present Motion is to stop Ms. Khalatbari from using or disclosing confidential information which she has unlawfully transferred and retained.⁴ As Ms. Khalatbari has no lawful or legitimate use for such information, it is difficult to fathom how a grant of preliminary injunctive relief in the instant case would harm Ms. Khalatbari in any way.

Indeed, it is axiomatic that Ms. Khalatbari cannot claim equity on the grounds that she will be harmed if she is not permitted to engage in a planned course wrongdoing. *Cf. Long v.*

⁴ Comcast has *not* sought through this motion to prevent Ms. Khalatbari from working or earning a living; rather, Comcast *only* seeks the return of its confidential and trade secret information.

Robinson, 432 F.2d 977, 981 (4th Cir. 1970) (“It would seem elementary that a party may not claim equity in his own defaults.”).

Accordingly, it is beyond reasonable dispute that Comcast has established the appropriateness of preliminary injunctive relief under this prong of the analysis.

D. Comcast Has Established Likelihood Of Success On Its Claims And/Or Has Presented Sufficient Evidence To Raise “Serious Issues” As To Ms. Khalatbari’s Actions And To Establish That Its Claims Are Not “Frivolous.”

As set forth above, Comcast has presented evidence that: (1) while still a Comcast employee, Ms. Khalatbari misappropriated Comcast Confidential Information, including customer information which Comcast has a specific obligation to keep confidential under the Cable Act; (2) following the transfer of information, Ms. Khalatbari took steps to remove evidence that she had taken such information; and (3) when specifically advised that she could not retain Comcast information or materials during her exit interview, Ms. Khalatbari falsely represented that she had not done so.

On these facts, as discussed in more detail below, Comcast has made a substantial showing that it is likely to succeed on the merits of each of its claims, and has certainly established (under the *Blackwelder* formulation) that it is not engaged in “frivolous litigation.”

1. Comcast Is Likely To Prevail On Its Claim For Misappropriation of Trade Secrets.

Under the Virginia Uniform Trade Secrets Act (“VUTSA”),⁵ a “trade secret” is any “information, including but not limited to, a formula, pattern, compilation, program, device,

⁵ Comcast has asserted its claims under Virginia law. Applying “choice of law” principals to tort claims such as these, Virginia courts have generally looked at the state where the “wrong” occurred. *See Datatel, Inc. v. Rose & Tuck, LLC*, No. Civ. A. 05-495, 2005 WL 1668020, at *8 (E.D. Va. Jun. 17, 2005) (choice of law in trade secret misappropriation case is state where the “wrong” occurred, not where damage is suffered). Here,

method, technique, or process,” that “derives independent economic value from not being generally known” and that “has been subject to reasonable efforts to maintain its secrecy.” See VA. Code Ann. § 59.1-336 (2001). VUTSA also specifically provides that “[a]ctual or threatened misappropriation may be enjoined.” VA. Code Ann. § 59.1-337.⁶

In *Dionne v. Southeast Foam Converting & Pkg., Inc.*, 397 S.E.2d 110, 112 (Va. 1990), the Virginia Supreme Court made plain that “secrecy,” rather than “novelty” is the hallmark of a “trade secret” which is entitled to protection under the law. Moreover, secrecy need not be absolute in order to establish or retain trade secret status; the owner of the trade secret may disclose it to others so long as the disclosure is made “in confidence, express or implied.” *Id.* These general principles apply to a variety of confidential and proprietary business information, such as that involved in the instant case.

In particular, Virginia courts have long recognized that a customer list may constitute a “compilation” that is entitled to “trade secret” protection. See, e.g., *Physicians Interactive v. Lathian Sys., Inc.*, 2003 WL 23018270, at *8 (E.D. Va. Dec. 5, 2003) (applying Virginia law; granting injunction where defendants’ misappropriated confidential customer lists

Ms. Khalatburi is a Virginia resident who worked for Comcast in Maryland. The “wrong” occurred when Ms. Khalatburi transferred such information to her home computer in Virginia (and in any actions she may have taken with respect to that information since she moved it there). While Comcast has brought this action under Virginia law, it will also provide citations to Maryland law, where appropriate.

⁶ See also *Bond v. Polycycle, Inc.*, 732 A.2d 970, 973 (Md. App. 1999) (applying Maryland law) (entering injunction against former executive for misappropriating trade secrets under Maryland Uniform Trade Secrets Act (“MUTSA”); noting that, under MUTSA, trade secrets included such things as a “formula, pattern, compilation, program, device, method, technique, or process” that “[d]erives independent economic value, actual or potential, from not being generally known” and “[i]s the subject of efforts that are reasonable under the circumstances to maintain its secrecy.”) (citing Md. Commercial Law § 11-1201). Under MUTSA, an actual or threatened misappropriation of a trade secret also may be enjoined. Md. Commercial Law § 11-1202.

and computer software code, noting that “[n]umerous courts have held that customer lists and customer information are *classic examples of trade secrets*.” (emphasis added).

Here, the Comcast Confidential Information, including the customer list information, plainly constitutes protectable trade secret information. Such information has economic value in not being known by competitors and has been subject to reasonable security measures to protect its confidentiality. Indeed, in the case of the customer list information, Comcast is specifically required by law to keep such information confidential.

Under VUTSA, in addition to establishing that the information is a “trade secret,” the plaintiff also must establish that the trade secret has been “misappropriated” — “meaning that the person knows or has reason to know that the information was acquired by *improper means*.” *Id.* at *8 (emphasis added). “Improper means,” for these purposes, may include actions tantamount to “theft” or “misrepresentation.” *Id.*

Here, Ms. Khalatbari used “improper means” to transfer and retain the Comcast Confidential Information. She sent the information to her home computer in preparation for her departure from Comcast and in preparation for beginning to work for Verizon. This action was not authorized by Comcast, not done on behalf of Comcast and was in violation of Comcast’s Code of Ethics and Employee Handbook. Upon resigning, she further misrepresented to Comcast’s Human Resources Director that she was not keeping any Comcast documents or information. On these facts, Comcast has established a likelihood of success (or at least that “serious issues” exist) on its misappropriation of trade secrets claim.⁷

⁷ Under Maryland trade secret law, courts also have found “improper means” in similar circumstances, such as where an executive (who had authorized access to the trade secret information for purposes of performing work), “on the evening prior to resigning, ‘took all of the work product that he had done in the preceding two years . . . , placed it on a floppy disc, [and] then erased it from the company computers.’” *Bond v. PolyCycle*, 732

2. Comcast Is Likely To Prevail On Its Claim For Breach of Fiduciary Duty of Loyalty.

Virginia courts have long recognized that “under the common law, an employee-at-will owes a fiduciary duty of loyalty to his employer during his employment.” See *H.E.R.C. Products, Inc. v. Turlington*, 62 Va. Cir. 489, 2003 WL 23162378, at *2 (Va. Cir. Ct. Sep. 17, 2003). Thus, while an employee has a right to arrange to compete against his or her employer following a planned termination of employment, that right is limited in the interests of fairness and integrity in the employer-employee relationship. *Id.* In this vein, “[t]here are certain employee acts that will not be tolerated by the common law in an employment relationship, . . . including misappropriating trade secrets and misusing confidential information.” *Id.*⁸

Moreover, “[e]ven after termination of an agency or employment relationship, the agent ‘has a duty to the principal not to use or disclose to third persons, on his own account or on the account of others, in competition with the principal or to his injury, trade secrets, written lists of names, or other similar confidential matters given to him only for the principal’s use.’” See *International Paper Company v. Gilliam*, 63 Va. Cir. 485, 2003 WL 23573613 (Va. Cir. Ct. Dec. 23, 2003); compare *Peace v. Conway*, 246 Va. 278, 282 (Va. 1993) (holding that defendants had not breached their fiduciary duty where they resigned and competed in soliciting former clients

A.2d 970, 976-77 (Md. App. 1999); see also *LeJeune v. Coin Acceptors, Inc.*, 849 A.2d 451, 466 (Md. Ct. of App. 2004) (under Maryland law) (“[plaintiff] did not give LeJeune permission to transfer trade secrets from the company laptop to a CD” and thus such a transfer would be considered “improper means”; noting that after LeJeune transferred the files to the CD, he erased them from his laptop; this suggested “that LeJeune was attempting to hide his conduct and was aware that transferring the files was improper.”).

⁸ While Virginia courts have held that VUTSA preempts common law claims arising specifically from misappropriation of trade secrets, to the extent the “trade secret” status of the underlying information is either undetermined or in dispute, the courts have held that common law claims (such as claims for breach of fiduciary duty of loyalty or conversion) may be maintained. *Gilliam*, 2003 WL 23573613, at *5.

whom they knew by memory; “[w]e reiterate that Peace and Dickens did not take any documents or utilize any property that belonged to [plaintiff] when contacting his customers”).

Notably, the fiduciary obligations owed by an employee apply not just to “trade secret” information, but to “confidential” information as well. In *Bull v. Logetronics, Inc.*, 323 F. Supp. 115, 132-33 (E.D. Va. 1971), the court held that:

An employee owes a fiduciary duty with respect to the information which comes to him in the course of his employment. He must exercise the utmost good faith, loyalty and honesty towards his employer whether coupled with an interest or not, and whether the compensation is small or large. The duty to be faithful does not cease when the employment ends. He has a duty *not to reveal confidential information obtained through his employment, and not to use such confidential information after he has left his employment.*

Id. at 132-33 (emphasis added). Even absent a non-competition agreement, the *Bull* court held, an employee may not “use ‘confidential information or trade secrets obtained from the former employer, appropriating, in effect, to his competitive advantage what rightfully belongs to his employer.” *Id.* at 133. In *Bull*, the Court ordered the defendant to return all company documents and enjoined Bull “from making use of any of such documents or information learned therefrom.” *Id.*⁹

On the facts here, Comcast has established a likelihood of success in showing that Ms. Khalatbari breached her fiduciary duty of loyalty when she transferred confidential Comcast Confidential Information (including information that may or may not rise to the level of trade

⁹ See also, *Hale Trucks of Maryland, LLC v. Volvo Trucks North America, Inc.*, 224 F. Supp.2d. 1010, 1023 (D. Md. 2002) (applying Maryland law) (while an employee may prepare to compete against his or her employer, “the privilege to prepare to compete is lost . . . when the employee commits a ‘fraudulent, unfair, or wrongful act in the course of preparing to compete in the future’”; “[e]xamples of misconduct which will defeat the privilege are: misappropriation of trade secrets; misuses of confidential information; solicitation of employer’s customers prior to cessation of employment”).

secret information) to her home computer in preparation for beginning work for a competitor, and then attempted to delete evidence of the transfer. Such actions are unlawful and plainly violated her common law “privilege” to prepare to compete.

3. **Comcast Is Likely To Prevail On Its Claim Of Conversion.**

Under Virginia law, “conversion” is established where there is “any wrongful exercise or assumption of authority . . . over another’s goods, depriving him of their possession [and any] act of dominion wrongfully exerted over property in denial of the owner’s right, or inconsistent with it.” *International Paper Company v. Gilliam*, 63 Va. Cir. 485, 2003 WL 23573613, at *4 (Va. Cir. Ct. Dec. 23, 2003).

As with a claim for breach of fiduciary duty of loyalty, a claim for conversion will lie if all or some of the information which has been wrongfully appropriated does not rise to the level of “trade secret” status. *Id.* (“VUTSA does not preempt alternative tort recovery unless it is clear that the price list falls within the confines of the Act.”).

Here, as set forth above, the facts establish that Ms. Khalatbari has wrongfully converted Comcast Confidential Information and other Company property in a manner which is inconsistent with Comcast’s right to own and maintain the confidentiality of such information.

E. **The Public Interest Favors Granting Comcast’s Request For Preliminary Injunctive Relief.**

The final *Blackwelder* factor to be considered in the instant motion is the “public interest.” In *Blackwelder*, the Fourth Circuit held that, in evaluating motions for preliminary relief, the “public interest” favors preserving the *status quo ante litem* “until the merits of a serious controversy can be fully considered by the court.” *Blackwelder*, 550 F.2d at 197. The *Blackwelder* court noted that this is especially true where the claims are brought under a statute that specifically provides for interlocutory relief. *Id.*

Here, entry of the requested preliminary injunction will not violate the public interest. To the contrary, entry of the requested preliminary injunction will protect the privacy and confidentiality of Comcast customers' personal information. Their privacy rights are threatened to be compromised by Ms. Khalatbari's wrongdoing. The public policy favoring protection of such information is specifically set forth in the provisions of the Cable Act, wherein the United States Congress expressed a strong concern about unlawful use or disclosure of cable customer information.

The public policy supporting the enjoining of such action is also set forth in VUTSA, which specifically includes a provision permitting an "actual or threatened" misappropriation of trade secrets to be enjoined. *See Dionne v. Southeast Foam Converting & Pkg., Inc.*, 397 S.E.2d 110, 114 (1990) (Virginia public policy stated in VUTSA).

Moreover, in cases such as this, the ultimate remedy for an employer who successfully establishes that a former employee has misappropriated its confidential information and trade secrets is entry of a *permanent* injunction. *See Bull v. Logetronics, Inc.*, 323 F. Supp. 115, 132-33 (E.D. Va. 1971). Thus, to adequately preserve that remedy before trial, the court should appropriately enjoin the former employee's use of the contested trade secret. Indeed, if Comcast's trade secrets are lost at this stage in the litigation, they cannot be recovered later, after the trial on the merits.

The relief requested – the return of the confidential information and an order enjoining Ms. Khalatbari's use or disclosure of such information – is nothing more than what Ms. Khalatbari agreed to when she became a Comcast employee.

Accordingly, the public interest favors the entry of the preliminary injunction now requested.

CONCLUSION

For the reasons set forth above, the Court should enter a temporary restraining order and a preliminary injunction prohibiting Defendant from using Comcast Confidential Information, including the information that she emailed to her home account in the time period between July 29, 2005 and August 5, 2005, and returning all company property in her possession, pending the trial on the merits.

Respectfully submitted,



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**COUNSEL FOR PLAINTIFF
COMCAST OF POTOMAC, LLC**

Certificate of Service

I certify that I caused a copy of the foregoing Brief in Support of Motion for Temporary Restraining Order and Preliminary Injunction to be served with the Complaint upon Defendant this 16th day of August, 2005.


Kathleen J.L. Holmes

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION

COMCAST OF POTOMAC, LLC,

Plaintiff,

v.

MELODY KHALATBARI,

Defendant.

CIVIL ACTION NO. _____

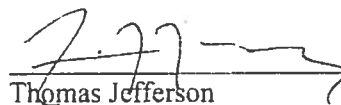
DECLARATION OF THOMAS JEFFERSON
PURSUANT TO 28 U.S.C. §1746

I, Thomas Jefferson, declare, under penalty of perjury, as follows:

1. I submit this declaration in support of the motion of Comcast of Potomac, LLC ("Comcast") in this matter for a temporary restraining order and a preliminary injunction.
2. I base this declaration on personal knowledge and information.
3. I am the Regional Vice President for Human Resources for Comcast in the Washington, D.C. metropolitan area.
4. On Tuesday morning, August 9, 2005, I conducted a routine exit interview with Melody Khalatbari.
5. In the course of the interview I reminded Ms. Khalatbari that she was not permitted to take, keep or use company property or confidential information.
6. Ms. Khalatbari stated that she had taken no such material from Comcast.

I declare under penalty of perjury that the forgoing is true and correct.

August 15, 2005


Thomas Jefferson

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION**

COMCAST OF POTOMAC, LLC,

Plaintiff,

v.

MELODY KHALATBARI,

Defendant.

CIVIL ACTION NO. _____

**DECLARATION OF CRAIG SNEDEKER
PURSUANT TO 28 U.S.C. §1746**

I, Craig Snedeker, declare under penalty of perjury, as follows:

1. I submit this declaration in support of the motion of Comcast of Potomac, LLC ("Comcast") in this matter for a temporary restraining order and for a preliminary injunction.

Background

2. I base this declaration on personal knowledge and information.

3. I am the Area Vice President and General Manager for Comcast responsible for the operations of the Comcast cable system in Montgomery County, Maryland. I have been in this position for two years and I have been employed by Comcast for ten years. Comcast delivers cable television, broadband internet and telephone services to residential and commercial customers who are also known as "subscribers."

4. I know Melody Khalatbari. I was her direct supervisor from March 2005 until she resigned from Comcast on August 8, 2005. Prior to March 2005, Melody Khalatbari reported to Ellen Bogage who in turn reported to me.

5. Melody Khalatbari held the position of Public Affairs Manager for Comcast in Montgomery County, Maryland. This is a position of substantial responsibility and it involves a fair amount of public exposure. Comcast placed its trust and confidence in Ms. Khalatbari to carry out her duties and responsibilities professionally and in accordance with company policy and any applicable laws, rules and regulations.

6. Ms. Khalatbari's position covered all of Montgomery County, Maryland. She was responsible for developing and implementing public affairs activities with community-based organizations, local schools and government offices. Together with other departments, such as Marketing and Sales, Commercial Sales, Advertising Sales and Government Relations, Ms. Khalatbari was involved in generating positive media, public recognition and market share for Comcast in Montgomery County, Maryland.

7. One of Comcast's principal competitors in Montgomery County, Maryland is Verizon Communications ("Verizon").

Comcast Confidential Information

8. In the course of its business Comcast creates and uses confidential information including customer information, employee information, business plans, technological research and development, product documentation, marketing plans, pricing, financial and budgetary information.

9. In the course of her employment with Comcast Ms. Khalatbari had access and was authorized to have access to Comcast confidential information that included: various types of subscriber lists; marketing and business plans; information about the Montgomery County and other Comcast cable franchises;¹ specially-created contact lists for government officials and community groups; service interruption, outage and customer complaint reports; proposed rates

¹ Franchises typically are granted by local government.

and proposed rate increases and outlines and company work product prepared by Comcast personnel for internal use, analysis and corporate strategy.

10. Melody Khalatbari was given authorized access to Comcast's confidential information in the ordinary course of business and only to perform the job duties associated with her assigned position with Comcast.

11. In addition, because Comcast is a cable operator we are required by federal law to protect the privacy of all personally identifiable subscriber information. Comcast trains its employees and impresses upon them the importance of protecting the privacy of all personally identifiable subscriber information.

12. While she was employed by Comcast, Melody Khalatbari had authorized access to personally identifiable subscriber information but only to perform her job duties for Comcast.

13. Comcast maintains strict procedures to protect the confidentiality of its business information and the privacy of personally identifiable subscriber information. These policies and procedures are set forth in, among other places, the Comcast Code of Ethics and Business Conduct, the Comcast Employee Handbook and the Comcast Information and Electronic Subscriber Guidelines.

14. A copy of the most recent statement of company policy, taken from the Comcast Employee Handbook, is attached as Exhibit "A." That policy provides, in relevant part:

Our Policy:

It is the responsibility of all Comcast employees to maintain the confidentiality of information about Comcast, its customers and its employees and to take precautions to protect against the unauthorized disclosure of this information.

Comcast employees may learn or have access to sensitive information concerning Comcast's business. Employees may also be entrusted with confidential information concerning customers

and/or co-workers such as name, address, phone number(s), billing information and selection of services.

Confidential information includes, but is not limited to, the following:

- Customer Information, including contracts
- Employee information, including personal health or medical information including, but not limited to, physical or mental health condition of the employee
- Social Security numbers
- Business plans
- Technological research and development
- Trade secrets and other sensitive Company Information
- Product documentation, marketing plans and pricing information
- Financial and or budgetary information
- Patents, copyrights, trademarks, service marks and trade names
- Any documents that contain markings such as "Restricted," "Proprietary," "Confidential," "Not To Be Distributed," or similar indications of confidentiality.

Applies to:

All Comcasters

Details:

Employees must ensure that confidential documents are not left on desktops during work hours if the desk is unattended or after work hours. Care should also be taken to protect computer-based information. For more information on how to protect electronic data, please read the Electronic Security Policy.

Employees should take care in discussing confidential information and should only do so as it is required to perform the duties of their job.

For more information regarding the importance of confidentiality, please read the Comcast Corporation Code of Ethics and Business Conduct.

Employees should handle personal health information as described above, in accordance with the Comcast Statement of Privacy.

Remedy:

Unauthorized disclosure or misuse of confidential information may result in discipline, up to and including termination from employment.

15. A complete copy of the Comcast Corporate Code of Ethics and Business Conduct is attached as Exhibit "B." In Section XII.D., Comcast re-emphasizes that customer information "should be accorded the same level of confidentiality as any other confidential information."

16. The Code of Ethics and Business Conduct further recites that all non-public information concerning the company is company property (Section XII.A.) and that every employee owes the company a duty of loyalty. Section VIII of the code provides as follows:

Employees, officers and directors have a duty of loyalty to the Company. This duty means that employees, officers and directors are prohibited from: (i) taking for himself or herself business opportunities that are within the scope of the Company's activities or planned activities; (ii) using the Company's property or information, or his or her position, for personal gain; or (iii) competing with the Company. Competing with the Company may involve engaging in the same line of business as the Company, or any other situation where the employee, officer or director is involved in an activity that takes away from the Company's opportunities for sales or purchases of products, services or interests.

In addition, every employee is expected to devote his or her best efforts to the Company's interests during his or hours of employment.

17. While employed by Comcast, Melody Khalatbari acknowledged in writing her duty to comply with Comcast policies concerning confidentiality, customer privacy, loyalty and business ethics and professionalism. Copies of those signed acknowledgements are attached collectively as Exhibit "C."

18. Comcast confidential information often is stored on our computer systems.

19. Melody Khalatbari was given a laptop computer for use in her job at Comcast. She further was permitted access via computer to confidential information belonging to Comcast for the purpose of performing her job. Among other things, in her capacity as Public Affairs Manager Melody Khalatbari had authorized access to various versions of subscriber lists containing confidential information and personally identifiable subscriber information.

Resignation

20. On Monday morning, August 8, 2005, Melody Khalatbari came to see me. She handed me a resignation letter. She told me that she had accepted a position with one of our principal competitors, Verizon, as head of external affairs for Montgomery and Prince Georges County, Maryland.

21. Based upon my experience in the industry I am aware that the new position at Verizon will entail the same or substantially similar duties to the position that Melody Khalatbari held here at Comcast.

22. Comcast had no prior notice or warning that Melody Khalatbari planned to leave and go to work for a competitor.

23. We attempted but were unsuccessful in persuading Melody not to leave. She left the office around lunch time on August 8th. That was her last day of work for Comcast.

24. Since the regional vice president of human resources was not available that day he requested that Melody Khalatbari return to the office the next morning, Tuesday, August 9, 2005, for a standard exit interview. I also asked Melody Khalatbari to return her laptop and a company document that I had given to her for a work assignment.

25. As a result of Melody Khalatbari's resignation Comcast created a team of people to take over her job duties on an interim basis. One of the persons assigned to that team was Lisa

Altman, Regional Manager of Communications for Comcast's Washington, D.C. metropolitan region.

26. I gave Lisa Altman authorized access to Melody Khalatbari's employee email account to assist in carrying out this function.

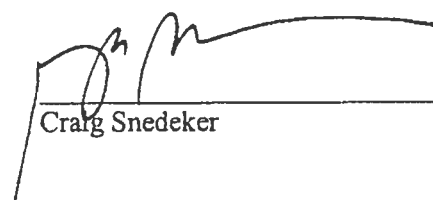
**Discovery of Misappropriation of
Confidential Information and Company Property**

27. Late in the day on Tuesday, August 9, 2005, Ms. Altman reported to me that in the course of searching for materials in Melody Khalatbari's email box she had found several emails, each with numerous attachments, that Melody Khalatbari had sent from her work computer to her personal computer in the days immediately preceding her resignation. The emails attachments were all company property and many of the attachments consisted of highly sensitive, confidential subscriber lists, including lists of hundreds of Comcast's top customers and "VIP" customers.

28. Melody Khalatbari's actions violate Comcast policies concerning confidentiality, theft of company property, and employee loyalty, among others.

I declare under penalty of perjury that the forgoing is true and correct.

August 15, 2005



Craig Snedeker

EXHIBIT "A"

Comcast



Employee Handbook

Confidentiality

Our Policy:

It is the responsibility of all Comcast employees to maintain the confidentiality of information about Comcast, its customers and its employees and to take precautions to protect against the unauthorized disclosure of this information.

Comcast employees may learn or have access to sensitive information concerning Comcast's business. Employees may also be entrusted with confidential information concerning customers and/or co-workers such as name, address, phone number(s), billing information and selection of services.

Confidential information includes, but is not limited to, the following:

- Customer information, including contracts
- Employee information, including personal health or medical information including, but not limited to, physical or mental health condition of the employee
- Social Security numbers
- Business plans
- Technological research and development
- Trade secrets and other sensitive Company information
- Product documentation, marketing plans and pricing information
- Financial and or budgetary information
- Patents, copyrights, trademarks, service marks and trade names
- Any document that contains markings such as "Restricted," "Proprietary," "Confidential," "Not To Be Distributed," or similar indications of confidentiality

Applies to:

All Comcasters

Details:

Employees must ensure that confidential documents are not left on desktops during work hours if the desk is unattended or after work hours. Care should also be taken to protect computer-based information. For more information on how to protect electronic data, please read the Electronic Security Policy.

Employees should take care in discussing confidential information and should only do so as it is required to perform the duties of their job.

For more information regarding the importance of confidentiality, please read the Comcast Corporation Code of Ethics and Business Conduct.

Employees should handle personal health information as described above. In accordance with the Comcast Statement of Privacy.

Remedy:

Unauthorized disclosure or misuse of confidential information may result in discipline, up to and including termination from employment.

Additional information:

EXHIBIT "B"

COMCAST CORPORATION
CODE OF ETHICS AND BUSINESS CONDUCT

September 2004

Dear Comcasters,

Comcast's good name and its outstanding reputation for honesty and integrity are valuable corporate assets nurtured by the Company throughout its history. Comcast has always followed appropriate standards of conduct, not just to remain accountable to legitimate public scrutiny but to foster our own self-respect. For many years we have expressed these standards in our Code of Ethics and Business Conduct.

While we have always had the strongest commitment to ethical behavior and appropriate conduct, it is important, as Comcast expands its businesses and increases its numbers of employees, subscribers, suppliers and shareholders, to periodically review and update the principles that will continue to guide us.

Among the most important revisions in the Code is providing that supervisors (while they may be consulted), do not have the authority to approve potential conflicts of interest transactions, or the offer or acceptance of substantial business courtesies. We have also for the first time provided a quantitative guideline as to what constitutes a substantial business courtesy - in most circumstances you may offer or accept a business courtesy without prior approval, provided its market value does not exceed \$250 (including when added to the market value of other business courtesies offered to the same customer or received from the same supplier, in the same calendar year).

No code or policy can spell out the appropriate behavior for every situation. Should you have any questions about the Code or its interpretation in a particular factual setting, you should seek guidance in the manner described in the Code.

We strongly believe that Comcast's commitment to growth can best be accomplished in an environment in which we all maintain the highest standards of integrity. In this way all Comcasters can continue to share in the pride of working for a company that strives to achieve the best in business results and business conduct.

Brian L. Roberts
President and Chief Executive Officer

Stephen B. Burke
Executive Vice President and Chief Operating Officer,
and President, Cable Division

Arthur R. Block
Senior Vice President, General Counsel and Secretary

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I. BRIEF SUMMARY

The following is a brief summary of certain of the more significant provisions of the Code. Capitalized terms used in this summary are defined in the main body of the Code. Reading the summary is not a substitute for reading the entire Code.

1. This Code applies to employees, officers and directors of Comcast and its subsidiaries. Compliance with the Code is a condition of continued employment with, or service to, the Company.
2. Violations or potential violations of the Code, and questions of its interpretation, should be disclosed to a Senior HR Professional, a Senior Attorney or the Chairman of the Audit Committee of the Board of Directors, provided that matters relating to accounting, internal control or auditing matters should be disclosed to a Senior IAD Professional, a Senior Attorney or the Chairman of the Audit Committee.
3. Employees, officers and directors must not permit their personal interests to conflict, or appear to conflict, the business interests of the Company. Supervisors generally do not have authority to approve potential conflict of interest activities. Section IX.A. contains a list of examples of activities that may present a conflict situation.
4. Generally, a business courtesy (i.e., a gift or other item of value for which market value is not paid by the recipient) may be offered or accepted without prior approval only if its market value (together with the market value of any other business courtesy offered to the same customer or received from the same supplier in the same calendar year), does not exceed \$250. Business courtesies that equal or exceed \$250 in value must be approved by a Senior HR Representative, a Senior Attorney, the Executive Vice President or the President of the employee's business unit. Section X.B. contains a list of acceptable business courtesies and Section X.C. contains a list of presumptively unacceptable business courtesies.
5. Special care must be taken in connection with offering business courtesies to public officials (see Section X.D.) and making political contributions (see Section XI.A.).
6. All non-public information concerning the Company is Company property. No one in possession of any material information relating to the Company may trade in Comcast's securities or disclose that information to another person.
7. Employees, officers and directors are expected to be familiar and comply with all laws, rules and regulations that apply to the Company, including

the antitrust laws and laws relating to non-discrimination, equal opportunity and non-harassment.

8. The Company's books and records must fairly and accurately reflect its financial condition and results of operations.
9. The language of a contract should accurately reflect the substance of the arrangements to which the parties have agreed.

II. GENERAL PRINCIPLES

A business enterprise is usually thought of in economic terms, but it is also an institution of people. As such, a business has ethical as well as economic responsibilities. It must understand and conform to law, custom (if within the law) and human values. There is no conflict between attention to profit and attention to ethics. The Company will prosper most in an environment that is ethically sound.

Comcast Corporation ("Comcast") is providing this Code of Ethics and Business Conduct (the "Code") in order to provide guidelines with respect to the conduct of employees, officers and directors as representatives of Comcast. The foundation of the Code consists of the following important standards of business and personal conduct: (i) honesty and integrity in the Company's business activities; (ii) compliance with applicable laws, rules and regulations; (iii) avoiding conflicts between personal interests and the Company's business interests, and the appearance of such conflicts; (iv) maintaining the Company's reputation and avoiding activities which might reflect adversely on the Company; and (v) maintaining the integrity of the Company's assets. These elements are the key ingredients in establishing and maintaining trust, which is the cornerstone of any business serving the public.

III. SCOPE

This Code applies to employees, officers and directors of Comcast and its subsidiaries. Use of the term "the Company" in this Code is intended to include reference to all of these entities and their respective business units.

IV. COMPLIANCE AND ENFORCEMENT

All employees, officers and directors of the Company are required to comply with the provisions of this Code.

Violations of the Code can have serious consequences for both the employee, officer or director, and the Company. Compliance with this Code is a condition of continued employment with, or service to, the Company.

Violation of the Code constitutes grounds for disciplinary action, up to and including termination of employment or service, and legal action, as appropriate.

Disciplinary action may be taken against any of the following persons:

1. Any employee or officer who violates this Code or applicable laws, rules or regulations, or who directs others to do so.
2. Any employee or officer who deliberately withholds relevant information, or knowingly provides false information, concerning a potential violation of this Code or applicable laws, rules or regulations.
3. The violator's supervisor, to the extent that the circumstances of a violation reflect the supervisor's disregard for this Code or applicable laws, rules or regulations.
4. Any employee or officer who retaliates, directly or indirectly, against another employee for reporting a potential violation of this Code or applicable laws, rules or regulations, or for assisting in an investigation of a potential violation.

Annually, as a condition of continued employment, each employee, officer and director will be required to sign a written acknowledgement that he or she has received and is in compliance with the Code.

Comcast's General Counsel (the "General Counsel") will have primary authority and responsibility for enforcement of the Code, subject to the supervision of the Governance and Directors Nominating Committee (the "Governance and Directors Nominating Committee") of Comcast's Board of Directors (the "Board of Directors") or, in the case of accounting, internal control or auditing matters, the Audit Committee (the "Audit Committee") of the Board of Directors.

V. REPORTING OF VIOLATIONS OR POTENTIAL VIOLATIONS

Other than in the cases specified below, violations, as well as concerns or questions about potential violations, of this Code or applicable laws, rules or regulations should be promptly reported to any of: (i) the senior-most Human Resources Department professional in the employee's business unit (the "Senior HR Professional"); (ii) a Vice President or higher-level attorney in the Law Department of the employee's business unit, or the General Counsel (each, a "Senior Attorney"); or (iii) the Chairman of the Audit Committee (by sending an email to: audit_committee_chairman@comcast.com).

Violations, as well as any concerns or questions about potential violations,

relating to accounting, internal control or auditing matters, should be promptly reported to any of: (i) a Director or higher-level member of Comcast's Internal Audit Department (a "Senior IAD Professional"); (ii) a Senior Attorney; or (iii) the Chairman of the Audit Committee. See Section XV for additional reporting obligations of Financial Professionals.

Employees with access to TeamComcast should [click here](#) for a current list of contact information for Senior HR Professionals, Senior Attorneys and Senior IAD Professionals. Other employees should contact a Senior IIR Professional in their business unit for this information.

Any violations, as well as concerns or questions about potential violations, by any of the following persons should be reported promptly to the General Counsel or the Chairman of the Audit Committee: (i) Comcast's principal executive officer, principal financial officer or officers, or principal accounting officer; (ii) any other Comcast officer who is a reporting person under Section 16 of the Securities and Exchange Act of 1934; or (iii) any other Comcast officer who is a "named executive officer" in the current Comcast proxy statement. The officers referred to in (i) – (iii) above are referred to in this Code as "Executive Officers."

Any violations, as well as concerns or questions about potential violations, by the General Counsel should be reported promptly to Comcast's Executive Vice President with supervisory responsibility for the General Counsel (the "Executive Vice President"), or Comcast's Chief Executive Officer (the "Chief Executive Officer").

Any violations, as well as concerns or questions about potential violations, by any director should be reported promptly to the General Counsel or the Executive Vice President.

Employees may instead report violations or potential violations on an anonymous basis. Employees may make such reports by calling the Business Integrity Line, a 24-hour per day, 7-day per week, toll-free phone line. Calls will be received by an experienced third-party vendor, categorized by type of incident and timely reported to appropriate Company personnel for evaluation and handling on an anonymous basis. *Employees with access to TeamComcast should [click here](#) for more information on the Business Integrity Line. Other employees should contact a Senior IIR Professional in their business unit for this information.*

All communications from employees, officers or directors on matters pertaining to the Code will be maintained by the Company in the strictest confidence permitted by law. Any employee, officer or director reporting in good faith an actual or suspected violation of the Code will not be retaliated against by or receive discriminatory treatment from the Company. No employee, officer or director can be discharged, demoted, suspended, threatened or harassed as a result

of his or her making, or assisting in the handling of, a good faith complaint under the Code.

VI. DISCLOSURE; QUESTIONS OF INTERPRETATION AND APPLICATION; WAIVERS

No employee, officer or director should have the burden, or take the responsibility, of deciding on his or her own whether or how the Code applies to the particular circumstances in which he or she or another employee, officer or director may be involved. *The key requirement of the Code in this regard is disclosure* – each employee, officer and director's duty under the Code is to disclose circumstances or situations which may constitute or give rise to violations, or which require an approval, to an employee or other person or persons with authority to make (or obtain) the needed decision (as described in the following paragraphs). Failure to appropriately disclose circumstances which may constitute violations of the Code is itself a violation of the Code.

The Company recognizes that there are many instances in which judgment must be applied in interpreting and applying the Code to specific and varying facts and circumstances. Appropriate and consistent interpretation and application of the Code is essential to its proper and fair application. To promote this objective (except as set forth in the following paragraphs or as specified elsewhere in the Code, required disclosures), requests for approvals and questions regarding interpretation and application, should in all instances be addressed to a Senior HR Professional (except as to items relating to accounting, internal control or auditing matters), a Senior IAD Professional (as to items relating to accounting, internal control or auditing matters) or a Senior Attorney. He or she will, if necessary, refer the disclosure, request or question to appropriate higher-level employees.

Employees are encouraged to consult with and involve their immediate and/or higher level supervisor, but supervisors do not have authority to make interpretations or determine the application of, or grant approvals or waivers under, the Code (except as provided in Section X.A).

Executive Officers and directors must disclose circumstances which may constitute or give rise to a violation of the Code to the General Counsel, the Executive Vice President or the Chairman of the Audit Committee.

Questions regarding interpretation or application of the Code as it may apply to an Executive Officer or a director can only be addressed by the General Counsel, the Executive Vice President, the Governance and Directors Nominating Committee, the Audit Committee or the Board of Directors.

Waivers in respect of a material departure from the Code may be granted only with the approval of the General Counsel under appropriate circumstances, provided that no waiver will be granted to an Executive Officer or a director,

other than by the Board of Directors. Any waiver granted to an Executive Officer or a director will be disclosed to the public if required by, and in accordance with, applicable legal requirements.

VII. PROTECTION AND PROPER USE OF COMPANY ASSETS

Protecting the Company's assets against loss, theft or other misuse is the responsibility of every employee, officer and director. Loss, theft and misuse of the Company's assets directly impacts profitability. Any suspected loss, theft or other misuse should be reported as described in Section V.

The purpose of the Company's equipment, vehicles, supplies and other assets is for use in the conduct of its business, consistent with applicable laws, rules, regulations and policies.

Personal use of Company assets is permitted when required or appropriate under Company policy, or in appropriate circumstances when approved in advance by a Senior HR Professional or a Senior Attorney.

Goods, services or benefits received as a part of a barter or trade arrangement are the property of the Company and should be used for the benefit of the Company.

VIII. DUTY OF LOYALTY

Employees, officers and directors have a duty of loyalty to the Company. This duty means that employees, officers and directors are prohibited from: (i) taking for himself or herself business opportunities that are within the scope of the Company's activities or planned activities; (ii) using the Company's property or information, or his or her position, for personal gain; or (iii) competing with the Company. Competing with the Company may involve engaging in the same line of business as the Company, or any other situation where the employee, officer or director is involved in an activity that takes away from the Company's opportunities for sales or purchases of products, services or interests.

In addition, every employee is expected to devote his or her best efforts to the Company's interests during his or hours of employment.

IX. CONFLICTS OF INTEREST POLICY

A. GENERAL

The primary principle underlying the Company's Conflicts of Interest policy is that employees, officers and directors must not permit their personal interests to conflict, or appear to conflict, with the business interests of the Company.

A conflict of interest may exist when employees, officers and directors are involved in activities for personal gain, whether measured in tangible or intangible benefits, that might interfere or appear to interfere with the objective performance of their duties and responsibilities. This includes any activities that have the potential to affect an employee, officer or director's objectivity in the performance of his or her duties, as well as activities that could reflect negatively on the reputation of the Company.

Since no code of conduct can spell out the appropriate response for every situation which may arise, this policy relies on every employee, officer and director's continuing sensitivity to potential conflicts and prompt disclosure.

The list below contains some of the types of activities that may reflect in a negative way on an employee, officer or director's integrity or at least raise a question concerning his or her ability to discharge his or her duties in an unbiased manner. Therefore, prior to engaging in any of these activities, disclosure is required so that an appropriate judgment can be made as to whether the activity is permitted or prohibited under the specific facts and circumstances.

Employees are encouraged to consult with and involve their immediate and/or higher level supervisor, but supervisors do not have authority to approve these activities (except as provided in Section X.A).

1. Being employed by, acting as an officer, director or advisor of, or otherwise participating in, the business of a supplier, customer or competitor.
2. Conducting, approving or supervising business on behalf of the Company with a company in which the employee, officer or director, or a relative, has an employment, ownership or other financial interest.
3. Offering or accepting business courtesies from a current or potential supplier, customer or competitor, in violation of Section X.
4. Soliciting charitable contributions in violation of Section D.D.
5. Making payment in any form, directly or indirectly, to or for anyone for the purpose of obtaining or retaining business or obtaining any other favorable action or terms.
6. Participating in outside activities which would, or could reasonably be expected to, lead to the disclosure of confidential Company information or interfere with the employee, officer or director's employment or service obligation to the Company.

7. Using one's position with the Company or knowledge of its affairs, or using the Company name or other assets, for personal gain.
8. Engaging in personal activities or interests while on Company time or using Company resources or assets (other than participation in civic, charitable or professional organizations with prior approval, as set forth in Section IX.D).
9. Owning stock or any other interest (either directly or indirectly) in a supplier, customer or competitor; provided that ownership in a publicly traded company is permitted if the interest constitutes less than one percent of the class of security owned and the employee, officer or director performs no business function, provides no advice and has no ability to influence the policies or activities of the company. Disclosure is also required in circumstances where a relative of an employee, officer or director owns such an interest in a supplier, customer or competitor.
10. Engaging in any other outside activity that influences or appears to influence the objective decisions required of employees, officers or directors in the performance of their duties.
11. Directly managing or supervising a relative employed by the Company. For more information on this subject, Comcast Corporate and Cable Division employees should refer to the Comcast Employee Handbook section titled "Employment of Relatives."

B. OFFERS OF SECURITIES

Soliciting or accepting any offer to acquire any securities (or any interest in any securities) of any company, if either the person or entity making the opportunity available on behalf of the company (such as an investment banker), or the company in which the interest would be acquired, has a current or potential future business relationship with the Company of any kind (including as a supplier of goods or services, a company with which the Company may conduct a technology trial or a company in which the Company may make an investment), must be approved by the General Counsel (whether or not the offer was unsolicited and whether or not the securities are paid for at market price). The General Counsel will favorably consider a request in circumstances where the offer does not relate to the securities of a supplier, customer or competitor and is made by a regular stockbroker of the employee, officer or director, based on his or her personal relationship with the stockbroker, provided it is clear that the offer is not made on account of his or her position with the Company, and there is no expectation that the stockbroker or company will

receive something in return from the employee, officer or director in his or her business capacity.

C. EMPLOYMENT AND SERVICE WITH OTHER COMPANIES

Subject to the limitations provided in Section IX.A, an employee (whether full-time or part-time) may become an employee of another company, provided the other employment does not interfere with his or her ability to perform duties for the Company. Comcast Corporate and Cable Division employees should also review the Comcast Employee Handbook section titled "Outside Employment."

No employee may become an officer, director or advisor of a for-profit company without first obtaining approval of his or her supervisor and a Senior Attorney.

Securities, cash or other compensation offered to an employee or officer who, on behalf or for the benefit of the Company, serves as an officer, director or advisor of a company, may not be accepted without approval by the General Counsel (who will determine whether the compensation is appropriately the property of the Company).

D. SERVICE WITH CIVIC, CHARITABLE AND PROFESSIONAL ORGANIZATIONS; CHARITABLE CONTRIBUTIONS

The Company encourages employees, officers and directors to participate in civic, charitable and professional activities. Participation in a civic, charitable or professional organization on an employee's, officer's or director's own time does not require any prior approval, unless such participation might present a conflict or the appearance of a conflict of interest. Participation in these activities while on Company time or using Company resources or assets may be in the business interests of the Company in appropriate circumstances, and in such circumstances is permitted with the prior approval of a Senior HR Professional. Expenses incurred by an employee associated with civic, charitable or professional activities which are directly related to the employee, officer or director's responsibilities or the Company's business and which are approved by his or her supervisor and a Senior HR Professional will be reimbursed in accordance with the Company's business expense reimbursement policy.

Soliciting charitable contributions from a current or potential supplier or other company in the Company's name or by using one's position requires the prior approval of a Senior HR Professional, the General Counsel or the Executive Vice President.

E. REVIEW AND APPROVAL OF CERTAIN RELATED PARTY TRANSACTIONS

Securities and Exchange Commission ("SEC") rules require that disclosure be made in Comcast's proxy statement of certain transactions between the Company and certain persons ("Related Parties") having specified relationships ("Related Party Transactions") with the Company. The rules of the Nasdaq Stock Market, Inc., to which Comcast is subject, require that Comcast review and approve Related Party Transactions on an ongoing basis for potential conflict of interest situations.

A "Related Party" refers to: (i) any Executive Officer; (ii) any Comcast director or nominee for director; (iii) any security holder who is known to own (of record or beneficially) more than 5% of any class of Comcast's voting securities; or (iv) the spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, or brother or sister-in-law of any of the foregoing. A "Related Party Transaction" refers to any transaction or series of similar transactions in which the Company is to be a party, in which the amount involved exceeds \$60,000, and in which a Related Party will have a direct or indirect material interest.

Under this policy, a Related Party must disclose to the Audit Committee, the Governance and Directors Nominating Committee or the Board of Directors the material facts relating to, and his or her interest in, any proposed Related Party Transaction. Following disclosure, the Committee or Board, as the case may be, will decide if a conflict of interest exists and whether the Company should nonetheless enter into the transaction. The Committee may refer the matter to the Board.

The Related Party Transaction will be permitted if the Committee or Board, by majority vote of its disinterested members, determines that, notwithstanding that a conflict of interest may exist, the transaction is in the best interests of the Company (taking into account the benefits to be received by the Company on the one hand and the Related Party on the other hand), and is fair and reasonable under the circumstances (including whether the Company can obtain such benefits with reasonable efforts from a person or entity in circumstances that would not give rise to a conflict of interest).

X. OFFER OR ACCEPTANCE OF BUSINESS COURTESIES

A. GENERAL

Business decisions made by Company employees, officers and directors should be made solely on the basis of quality, service, price and other competitive factors. The offer or acceptance of business courtesies can create the appearance that business decisions are being influenced by other factors. Employees, officers and directors in a position to deal

with persons or companies with whom the Company maintains business relationships must be particularly sensitive to the potential conflict of interest in the offer or acceptance of business courtesies. The solicitation of a business courtesy from a current or potential supplier is discouraged.

A business courtesy is a gift or other item of value for which market value is not paid by the recipient. It may be tangible or intangible and includes, but is not limited to, cash, gift certificates or gift cards, meals, beverages, entertainment, participation in recreational activities or events, transportation, lodging, discounts, tickets, passes or other access to events, promotional items, and the recipient's use of the donor's time, equipment or facilities.

Employees, officers and directors are prohibited from offering or accepting a substantial business courtesy unless the offer or acceptance has been approved by a Senior HR Professional, a Senior Attorney, the Executive Vice President or the President of the employee's business unit (for example, a Division President in Comcast's Cable Division). Employees with access to Team Comcast, can [click here](#) for a current list of contact information for these authorized approvers.

A business courtesy is substantial if: (i) it has a market value in excess of \$250; or (ii) its market value, together with the market value of any other business courtesies offered to the same customer or received from the same supplier, in the same calendar year, exceeds \$250.

In the case of offers or acceptances of substantial business courtesies by an Executive Officer or director, approval is required by the General Counsel, the Executive Vice President, the Governance and Directors Nominating Committee, the Audit Committee or the Board of Directors.

Subject to the restrictions in the following paragraph, a business courtesy may be offered or accepted without prior approval, if its market value, together with the market value of any other business courtesies offered to the same customer or accepted from the same supplier, in the same calendar year, does not exceed \$250.

Business courtesies of any amount in cash or cash equivalent, or other monetary instrument, should never be offered or accepted. Business courtesies should also never be offered or accepted: (i) if there is no bona fide business purpose; (ii) where the donor's purpose is to motivate the recipient to take an action (or omit to take an action) that would be a violation of law, rule or regulation or the recipient's policies; or (iii) where public disclosure would be embarrassing to the donor or the recipient.

It is a violation of this policy to do indirectly what is prohibited directly

(e.g., to arrange to have a gift made to a family member or friend).

B. ACCEPTABLE BUSINESS COURTESIES

Subject to the limitations provided in Section X.A, the following are acceptable activities:

1. Offering business courtesies with a market value that does not exceed \$250 in the aggregate in any one calendar year to any one current or potential customer or other person.
2. Accepting business courtesies with a market value that does not exceed \$250 in the aggregate in any one calendar year from any one current or potential supplier.
3. Accepting customary advertising novelties, articles of apparel bearing the offeror's name and other similar items of nominal value.
4. Accepting invitations to supplier-sponsored entertainment and/or commemorative award meals, to be attended by employees of other companies, unless the supplier is paying for any of the associated travel and/or lodging expenses.
5. Accepting invitations to events sponsored by civic, charitable and professional organizations.
6. Accepting free or discounted cable or high speed internet service from another company with which the Company has a reciprocal arrangement.
7. Accepting a discount or other special offer from a supplier or potential supplier which is made available to employees generally.

C. PRESUMPTIVELY UNACCEPTABLE BUSINESS COURTESIES

The following are unacceptable activities in most circumstances:

1. Soliciting business courtesies from a current or potential supplier in situations where that supplier (or its competitors) might feel obligated to provide the courtesy (or other business courtesy) to maintain or to enhance its chance of obtaining Company business.
2. Soliciting offers by current or potential suppliers to provide fully or partially paid trips, whether for business or personal use.

D. BUSINESS COURTESIES OFFERED TO PUBLIC OFFICIALS

It is in the public's and the Company's best interests to avoid any action which could give the appearance that a public official's judgment or integrity may have been compromised. Therefore, except as specified below, it is against Company policy to purchase meals, entertainment or gifts for public officials, including most importantly those whose duties encompass the oversight or regulation of the Company. In addition, providing free or discounted goods or services to public officials is discouraged.

The following items may be offered, provided the offer is made for a business purpose, the item is customary in type and amount and the offer (and its acceptance) are permitted under applicable law and ethical rules:

1. Promotional items of nominal value.
2. Tickets to events sponsored by the Company or a trade or civic association of which it is a member, which are in a Company facility, or which are located in a Company suite, box or other seats.
3. Meals or entertainment having a market value that does not exceed \$250 in the aggregate, to any one public official in any one calendar year.
4. Beverages and food consumed on the Company's premises in connection with the conduct of the official's duties.

Specific guidance on current legal requirements regarding courtesies to government officials is available from Comcast's External Affairs Department.

XI. POLITICAL CONTRIBUTIONS

A. GENERAL

Employees, officers and directors are permitted and encouraged to participate in federal, state and local political activities in compliance with applicable law and this Code. Employees who work in or supervise their business unit's public affairs or government affairs department may make or solicit political contributions on behalf of the Company or in the Company's name, or use Company facilities for political parties or candidates, in accordance with Company policy and this Code. All other employees, officers, directors and agents are not authorized to make or solicit political contributions on behalf of the Company or in the Company's name, or use Company facilities for political parties or candidates, without prior approval of the General Counsel.

or the Executive Vice President.

B. FEDERAL ELECTIONS

Federal law prohibits a corporation from making any contribution to any candidate for federal office. This prohibition includes direct and indirect payments, regardless of whether they are given in cash, goods, services or by allowing a candidate to use the corporation's facilities or equipment. Therefore, with respect to federal candidates, the Company may not make any contribution or expenditure of any nature, and the Company may not reimburse an employee, officer or director for any contribution or expenditure.

This does not prohibit the purchase by candidates or campaign committees of political advertisements on the Company's cable systems or cable networks, nor appearances by candidates for public office on the Company's cable networks or programs originated by the Company's cable systems. It also does not prohibit contributions by Company-sponsored Political Action Committees to candidates for federal office, nor Company payment of the expenses of Company-sponsored Political Action Committees.

C. STATE AND LOCAL ELECTIONS

Political contributions to candidates for state or local office may be permissible under state or local law. Specific guidance on current legal requirements regarding contributions to governmental officials at the state or local level should be obtained from the Comcast Cable Division's Public Affairs Department.

D. INDIVIDUAL CONTRIBUTIONS

The restrictions in this Section XI apply solely to the use of Company assets and are not intended to discourage or prevent individuals from engaging in political activities, or making political contributions, on their own time and at their own expense as private citizens. Employees, officers and directors must take care in all cases to avoid giving the appearance that they are acting or speaking on the Company's behalf. Since work time can be considered a contribution under applicable law,

no employee may work for any candidate during hours for which he or she is being paid by the Company. :

XII. CONFIDENTIAL INFORMATION

A. GENERAL

An employee, officer or director may learn or have access to non-public information concerning the Company's affairs or may be entrusted with confidential information concerning customers or other employees, officers or directors while performing his or her duties. That trust, and potentially criminal and other laws, are violated when confidential information is disclosed. It is every employee, officer and director's responsibility to safeguard and preserve the confidentiality of all Company information which is acquired as a result of his or her employment or service with the Company. The following general principles apply in guiding behavior in this area. Comcast Corporate and Cable Division employees should also review the Comcast Employee Handbook section titled "Confidentiality."

All non-public information concerning the Company, its businesses and employees, officers and directors is the property of the Company and due care must be taken to safeguard its confidentiality. Special care must be taken in everyday matters such as protecting against unauthorized entry to Company work areas, not leaving papers in conference rooms or other open work areas, not leaving notes on blackboards or whiteboards in conference rooms or offices, not sharing passwords or cardkeys, and using caution in discussing Company business in public places such as elevators, trains and airplanes.

Employees with access to TeamComcast should refer to the Records and Information Management Policy for requirements relating to the retention of records, including electronic records such as email. Other employees should refer to their business unit's records management and information policy for this information.

Communications on behalf of the Company with the media, securities analysts and investors may be made only by specifically designated personnel. For guidance in this area, employees should consult with the Comcast Investor Relations Department or their business unit's Public Relations Department.

Requests or demands for information by regulatory or governmental agencies or under the authority of a subpoena, civil investigation demand or other legal process should be referred to a Senior Attorney.

All records, files and documents containing confidential information must be returned to the Company when employment or service ends.

B. CONFIDENTIALITY OF PERSONAL AND MEDICAL INFORMATION

Employees, officers and directors who work with or review personnel records are entrusted with access to confidential medical and other personal information regarding employees, former and prospective employees, and their families. Any information regarding the physical or mental condition, medical history or medical treatment of an employee, former employee, prospective employee or their families constitutes confidential information, which may only be disclosed under limited circumstances as permitted by law.

Questions concerning whether such information is confidential, how to handle a request for disclosure of such information or the specific procedures that apply to assure the security of such information should be directed to a Senior HR Professional or a Senior Attorney.

C. TRADING ON "INSIDE" INFORMATION

No one who is in possession of any material information relating to the Company may trade, directly or indirectly, in Comcast's securities, or disclose such information to another person (whether or not such other person trades in the Company's securities), until Comcast has made such information generally available to the public. This applies to employees, officers, directors and their families.

Information is material if an investor might consider the information to be important in deciding whether to buy, sell or hold securities of Comcast. Some of the matters which may be material are cash flow or earnings forecasts, possible acquisitions, divestitures, joint ventures or investments, acquisition or loss of a significant contract, dividend actions, important product or technology developments, significant financial developments, major personnel changes, government investigations, major litigation developments and the status of material labor negotiations.

Similarly, these principles apply to material non-public information concerning another company learned in the course of employment or service with the Company. If an employee, officer or director becomes aware of material information involving another company which has not been made public, he or she may not trade based on such information, or disclose that information to others.

The consequences of buying or selling securities while in possession of inside information or "tipping" others about such information can be severe. The

potential penalties for such misconduct include imprisonment, disgorgement of any profit, substantial fines and civil liability. Similar penalties may be imposed on persons who knew or recklessly disregarded that an employee was engaged in insider trading and failed to take appropriate steps to prevent such violation.

D. CUSTOMER RECORDS

As part of their duties, employees, officers and directors may be granted access to transactional, financial or other personal information of our customers. Customers impart this information for the purpose of obtaining a service and expect that its confidentiality will be maintained. Unless authorized by a Senior Attorney, customer records should not be disclosed to other employees, officers or directors of the Company unless necessary for them to perform their duties or service, or to anyone outside the Company. Customer records should be accorded the same level of confidentiality as any other confidential information.

E. CONFIDENTIAL INFORMATION OF OTHERS

An employee, officer or director may also come into possession of confidential business information of another company. Often this occurs with the permission of the other company pursuant to the terms of a confidentiality, non-disclosure or similar agreement; such information must be treated as required under the terms of any such agreement.

Employees, officers and directors may not accept, use or maintain confidential information of others which the Company does not have the right to possess (whether obtained inadvertently or through intentional disclosure by a person (such as a former employee) who does not have the legal right to make the information available to the Company).

XIII. COMPLIANCE WITH LAWS

A. GENERAL

The laws, rules and regulations which apply to the Company's businesses are numerous and complex. Since compliance with the law is vitally important, a Senior Attorney should be consulted whenever a question arises or when there is any uncertainty concerning the applicability of the law to a particular situation. Claims of ignorance or good intentions, or a failure to seek timely advice, will not be accepted as excuses for violations.

B. THE ANTITRUST LAWS

While employees, officers and directors are expected to be familiar with all laws which have bearing on their job responsibilities, laws which are aimed at preserving an open and fair marketplace deserve special mention. The antitrust

laws prohibit agreements – both explicit and implicit – among competitors on such matters as prices and the terms on which (or the refusal) to deal with suppliers or customers. Additional guidance on this subject is contained in the Comcast Antitrust Compliance Manual, available upon request from a Senior Attorney.

As a general matter, employees, officers and directors should be guided by the following principles:

1. In most circumstances, agreements or understandings with competitors to limit or restrict competition with respect to such matters as service areas or prices are unlawful.
2. Contracts or other arrangements which involve exclusivity or other restrictive agreements with suppliers may be unlawful.
3. The identity of the Company's suppliers, the types of goods and services purchased, and the prices and other terms of purchase generally should not be discussed with persons outside the Company.

These types of matters should not be discussed or entered into without the approval of a Senior Attorney.

C. INTELLECTUAL PROPERTY LAWS

Intellectual property laws protect the rights of the Company and others in owned or licensed copyrights, patents, trademarks, trade secrets and other types of intellectual property. It is vitally important to the Company's business interests that all employees understand and respect these rights, both to protect the Company's assets that are entitled to protection under these laws, and to avoid violating the rights of others. Unauthorized copying of copyrighted works of others (including computer software, music, movies, pictures and graphics) is prohibited by law and this policy. In order to ensure that the Company circulates materials from newspapers, magazines and websites with the appropriate permission, the Company is a licensee of Copyright Clearance Center, Inc. ("CCC"), which gives it rights to copy the materials of CCC's participating rights holders for internal business purposes. For a current list of CCC's rights holders, please go to the website www.copyright.com and select the "Search" option. Then, select the "Annual Authorizations Service (AAS)" option to search for materials to circulate as photocopies, or select the "Digital Repertory Amendment" option to search for materials to circulate electronically (for example, in e-mail). For questions concerning intellectual property laws, please consult a Senior Attorney.

D. PRIVACY LAWS

The Company holds customer privacy in the highest regard. As a cable operator, the Company is subject to one of the strictest federal privacy laws that applies to any industry. There are also state and local privacy laws that may apply to our businesses. Unauthorized collection, disclosure, use or retention of personally identifiable information about customers is prohibited by law and this policy. The Company communicates its privacy policies to customers through annual notifications in accordance with applicable law. These notifications explain the Company's privacy policies and practices and provide information for customers to limit or prohibit disclosure of certain personally identifiable information. All employees should be aware of these privacy policies, and should ensure that all agreements with suppliers require them to abide by applicable privacy laws and Company privacy policies. For questions concerning privacy, please consult Comcast's Chief Privacy Officer.

E. NON-DISCRIMINATION, EQUAL OPPORTUNITY AND NON-HARASSMENT

The Company's policies, as well as federal, state and local laws, prohibit discrimination based on race, color, religion, national origin, age, gender, marital status, sexual preference or non-disqualifying physical or mental disability. The Company and its employees are committed to establishing and maintaining a workplace free of such discrimination. The Company is fully committed to equal employment opportunity for all employees and applicants for employment by ensuring that there is no unlawful discrimination in recruitment, hiring, termination, promotion, compensation or any other condition of employment or career development.

The Company prohibits the harassment of any employee on the basis of race, color, religion, national origin, age, gender, marital status, sexual preference or non-disqualifying physical or mental disability. For the purposes of this policy, harassment is defined as verbal or physical conduct which affects an individual's employment status, is used as a basis for employment decisions, has the purpose of interfering with an employee's job performance or creates an intimidating, offensive or hostile work environment.

Comcast Corporate and Cable Division employees should refer to the Comcast Employee Handbook for additional information on the topics of Equal Employment Opportunity, Harassment and Sexual Harassment.

F. ENVIRONMENT, HEALTH AND SAFETY

The Company is committed to conducting its business in compliance with all applicable environmental and workplace health and safety laws and regulations. The Company strives to provide a safe and healthy work environment and to

avoid adverse impact and injury to the environment and to the communities in which it conducts business.

G. THE FOREIGN CORRUPT PRACTICES ACT

It is the Company's policy to deal with the governments of all foreign jurisdictions in which it operates in accordance with foreign laws and in an ethical manner. Employees, officers and directors are not authorized to make any payment to a foreign government or foreign official except in accordance with applicable United States (including the Foreign Corrupt Practices Act) and foreign laws, and this Code.

Employees, officers and directors are prohibited from making any gifts of money or anything else of value, to any foreign government, foreign official, foreign political party or candidate for foreign political office, for the purpose of influencing any official acts or decisions.

Payments in nominal amounts to obtain or expedite the performance of non-discretionary, routine governmental actions, such as obtaining licenses to qualify to do business in a foreign jurisdiction, mail delivery services, phone services, power and water supply and like services, are permitted.

Employees, officers and directors should consult with and obtain the approval of a Senior Attorney prior to making any payment to a foreign government, foreign official, foreign political party or candidate for foreign political office.

XIV. QUALITY OF BOOKS AND RECORDS, FINANCIAL STATEMENTS AND PUBLIC DISCLOSURES

The Company has a responsibility to maintain its books and records, prepare its financial statements and make public disclosures about the Company's financial condition and results of operations in accordance with applicable laws and generally accepted accounting principles. The reports and documents filed by the Company with or submitted to the SEC, and all other public communications, will include full, accurate, timely and understandable disclosure.

In keeping books and records and preparing financial statements and SEC and other external reports and disclosures, all employees are required to follow the following guidelines:

1. All books and records must fairly and accurately reflect, in reasonable detail, the transactions or occurrences to which they relate, and be maintained in accordance with applicable law.

2. All books and records must fairly and accurately reflect, in reasonable detail, the Company's assets, liabilities, revenues and expenses.
3. The Company's accounting books and records must not contain any false or intentionally misleading entries.
4. No transactions should be intentionally misclassified as to accounts, departments or accounting periods.
5. All transactions must be supported, in reasonable detail, by accurate and appropriate documentation.
6. No information should be concealed from internal auditors or the Company's independent auditors.
7. Employees must comply with the Company's system of internal accounting controls.
8. All external reports and disclosures based on the Company's accounting books and records must be prepared in accordance with generally accepted accounting principles ("GAAP"), or contain appropriate reconciliations to GAAP with respect to non-GAAP items (as required by SEC Regulation G).

Failures to comply with these guidelines that are timely identified and appropriately corrected within the Company's system of internal accounting controls are not required to be disclosed under the Code if they do not otherwise meet the criteria for disclosure set forth in Section XV.

XV. OBLIGATIONS OF FINANCIAL PROFESSIONALS

The Company's financial professionals ("Financial Professionals") hold an important role in assuring compliance with the guidelines set forth in Section XIV, in that they are uniquely capable and empowered to ensure that the Company's interests are appropriately recorded and preserved. The Company's Financial Professionals include all professional employees in the areas of accounting, audit, finance, investor relations, risk management, tax and treasury.

Each Financial Professional is required to promptly disclose (in the manner set forth in Section V) any information he or she may have or otherwise be aware of concerning: (i) significant or material deficiencies or weaknesses in the design or operation of the Company's internal controls; (ii) any fraud, whether or not material; (iii) any actual or apparent conflict of interest involving any employee who has a significant role in the Company's financial reporting, disclosures or internal controls; or (iv) any other matters which could have a material adverse effect on any of the Company's business units' ability to record, process,

summarize and report financial data.

Financial Professionals are also required to facilitate the work of the Company's independent auditors and will not, directly or indirectly, take any action to fraudulently influence, coerce, manipulate or mislead the independent auditors.

XVI. CONTRACT STANDARDS POLICY

The following principles apply to ensure that the Company acts appropriately in its contracting activities. All employees and officers involved in the negotiation and execution of contracts are required to comply with this policy.

1. **General Standard.** The language of a contract should accurately reflect the substance of the arrangements to which the parties have agreed.
2. **Transparency.** The goal in drafting contracts should be to ensure that they are written with sufficient clarity that employees, the Company's independent auditors and others reviewing the contracts can understand and assess the substance of the arrangements, including the assets or services being provided or acquired and the consideration therefor.
3. **Consideration.** It is not required that a contract state the consideration paid for each separate good or service acquired (*i.e.*, the consideration may be stated in the aggregate and not be specifically allocated among the goods or services acquired). However, consideration should not be stated in the aggregate if Company personnel know or should know that not specifically allocating the consideration will assist the other party in an inappropriate purpose (such as taking an inappropriate accounting position).

In addition, if the contract does include an allocation of consideration, Company personnel should not agree to an allocation that they know or should know to be materially disproportionate to the value a party would, on a bona fide business basis, place on the goods or services in question, taking into account the parties' different business positions, if any. Particular scrutiny should be given when the parties' interests in the allocation are not adverse (*i.e.*, where an increase or decrease in an allocation that would be favorable to one party would not be proportionately unfavorable to the other party).

4. **Promotional and Other Services.** Promotional and other services should not be included in a contract if there is no expectation that they will be provided. Promotional and other services of no or only nominal value should not be included in a contract, unless there are appropriate business reasons to do so.

5. **Authority to Execute Contracts.** Only authorized officers are permitted to execute a contract or other legally binding document on behalf of the Company. In addition, authorized officers are not permitted to execute a contract or other document unless doing so: (i) is consistent with any applicable business unit policy on signing authority levels or limits; and (ii) has been approved under any applicable business unit management approval requirements. Prior to executing a contract or document, an employee is required to confirm (including by consulting with a Senior Attorney) both that he or she is an authorized officer for the entity in question, and that the conditions specified in the prior sentence have been met.
6. **Questions.** Questions regarding this policy, and conduct that is in violation of this policy, should be referred to Comcast's Chief Accounting Officer or the General Counsel (or their respective designees, if any).
7. **Reporting.** If any employee, officer or director has reason to believe that the other contract party intends to take an inappropriate accounting position or pursue any other inappropriate purpose, the matter should be promptly brought to the attention of Comcast's Chief Accounting Officer or the General Counsel (or their respective designees, if any).

XVII. IN-HOUSE ATTORNEY PROFESSIONAL CONDUCT POLICY

A. PURPOSE

Pursuant to Section 307 of the Sarbanes-Oxley Act of 2002, the SEC has adopted Part 205 of the Code of Federal Regulations ("Part 205"), which imposes standards of professional conduct for attorneys. The professional responsibilities imposed by Part 205 are in addition to the attorney's professional responsibilities under state ethics rules.

Compliance with Part 205 is required by law and is a serious matter of professional responsibility for all attorneys employed by the Company.

The following policy sets forth the responsibilities of in-house attorneys, to ensure compliance with Part 205.

B. OBLIGATIONS OF ATTORNEYS

All attorneys employed by the Company who work as lawyers are required to comply with this policy.

All attorneys are required to familiarize themselves with this policy and Part 205.

C. CLASSIFICATION OF ATTORNEYS

The obligations of attorneys vary depending on whether an attorney is a "subordinate attorney." The classification is matter-specific and may change depending on the matter on which the attorney is working. All attorneys should be aware of their classification when working on a matter in order to determine their reporting obligations under this policy.

Any attorney who works on a matter under the supervision or direction of another in-house attorney (other than under the direct supervision or direction of the General Counsel) is, for purposes of issues arising in the course of that matter, a "subordinate attorney." Any attorney, even a senior attorney who supervises or directs others, may be a subordinate attorney if he or she is supervised or directed by another attorney on a matter. A subordinate attorney may have more than one supervising or directing attorney — e.g., a supervisory attorney on a given matter and that attorney's regular supervisor.

Any attorney who works on a matter under the direct supervision or direction of the General Counsel is not a subordinate attorney under Part 205. For purposes of this policy such an attorney will have the same obligations as a supervising attorney.

D. OBLIGATIONS OF SUBORDINATE ATTORNEYS

If any subordinate attorney has reason to believe that a possible material violation of law by the Company or by any of its employees, officers, directors or agents may have occurred, may be occurring or may be about to occur, then such subordinate attorney is required promptly to notify the supervising attorney on the matter or his or her regular supervisor, whoever has the most knowledge about the matter. This report need not be written or conform to any particular format.

Making this report fully satisfies a subordinate attorney's obligations under this policy and under Part 205 (unless that attorney is also a supervising attorney as to the matter, in which case he or she will have the obligations of a supervising attorney as set forth below). The subordinate attorney is not required to await any response or, if any response is given, to assess whether it is appropriate.

If for any reason the subordinate attorney feels uncomfortable reporting to the supervising attorney or, after reporting the matter to the supervising attorney, still has concerns, the subordinate attorney should notify the General Counsel.

E. OBLIGATIONS OF SUPERVISING ATTORNEYS

If any supervising attorney has reason to believe that a possible material violation of law by the Company or by any of its employees, officers, directors or agents may have occurred, may be occurring or may be about to occur, then such

supervising attorney is required promptly to notify the General Counsel. This report need not be written or conform to any particular format.

The supervising attorney must then await and assess the Company's response to the report, which will be related by the General Counsel, to determine whether the response is "appropriate." For a response to be "appropriate," the supervising attorney must reasonably believe (based upon reliable factual representations and reasonable legal determinations) that:

1. No material violation has occurred, is ongoing or is about to occur; or
2. The Company has adopted appropriate measures to remedy a past or existing violation or to avoid a future violation; or
3. The Company, with the consent of the Audit Committee, has retained and directed counsel to review the reported "material violation" and either:
 - (a) has substantially implemented any remedial recommendations made by such counsel after a reasonable investigation and evaluation of the reported violation; or
 - (b) has been advised that such counsel may assert a "colorable defense" in any investigation or proceeding related to the reported violation.

If the supervising attorney does not receive an "appropriate" response to the report within a reasonable time, the attorney is required to report such evidence further "up the ladder" to the Chairman of the Audit Committee.

If the supervising attorney reasonably believes that it would be futile to report to the General Counsel, such attorney may instead make the report directly to the Chairman of the Audit Committee.

If the attorney does not believe he or she has received an "appropriate" response from the General Counsel or the Chairman of the Audit Committee (as the case may be), then the attorney is required to explain his or her reasons to the General Counsel, the Chief Executive Officer and the Audit Committee.

A supervising attorney is also required to use reasonable efforts to ensure that the subordinate attorneys that he or she supervises comply with this policy and Part 205.

F. DETERMINING "MATERIAL VIOLATION"

An attorney who works for a subsidiary of Comcast should assess the materiality of a possible violation of law by reference to the financial condition, results of operations, and prospects of his or her business unit. If an attorney has any question about whether or not a possible violation of law is material, he or she should discuss the matter with his or her supervising attorney.

G. DOCUMENTATION OF REPORTS

Neither this policy nor Part 205 requires any report or response to be documented or to be made in any particular format.

H. PROHIBITION ON RETALIATION OR RETRIBUTION

The Company strictly forbids any retaliation, retribution or other adverse action against an attorney who makes a report required or permitted by this policy.

I. USE OF BUSINESS INTEGRITY LINE

Nothing in this policy shall, or is intended to, restrict or limit an attorney's use of the Business Integrity Line for the anonymous reporting of violations (or potential violations) of law. However, the use of the Business Integrity Line does not relieve an attorney of his or her obligations under this policy (notwithstanding that compliance with this policy necessarily means that the reporting attorney will not be anonymous).

EXHIBIT “C”

COMCAST EMPLOYEE HANDBOOK
AND
CODE OF ETHICS AND BUSINESS CONDUCT
ACKNOWLEDGEMENT


By signing below, I acknowledge that I have received instructions on how to access a copy of Comcast's Employee Handbook and, specifically, the Code of Ethics and Business Conduct. I understand that it is my responsibility to read, review, and print the Employee Handbook and Code of Ethics and Business Conduct from the Team Comcast Website: <http://teammcomcast/TeamComcast/Main/>, or that I can review a hard copy of the Employee Handbook and the Code of Ethics and Business Conduct by contacting Human Resources.

I understand that the Employee Handbook provides information concerning my employment, as well as the duties, responsibilities, and obligations of employment with Comcast, including, but not limited to, those responsibilities outlined in the Code of Ethics and Business Conduct.

I understand and agree that it is my responsibility to read the Employee Handbook and, specifically, the Code of Ethics and Business Conduct, and to abide by the rules, policies, and standards set forth in those documents. I understand that Comcast may change or revise the Employee Handbook and/or the Code of Ethics and Business Conduct at any time in its sole discretion and without notice.

I understand that the Employee Handbook and/or the Code of Ethics and Business Conduct do not constitute an express or implied contract of employment and that they do not guarantee employment for any specific period of time. I understand that my employment with Comcast is at will and that Comcast may end my employment at any time, with or without cause and with or without notice, and likewise, I may end my employment with Comcast at any time with or without notice.

I understand that if there is a difference between what is stated in the Employee Handbook, the Code of Ethics and Business Conduct, or this Acknowledgement, and any applicable policies, benefit plan documents, or other written and authorized agreements, including, but not limited to collective bargaining agreements, then the applicable policies, benefit plan documents, and written and authorized agreements will govern.

Signature:  Date: 09/28/04
Printed Name: Melody K. Miller

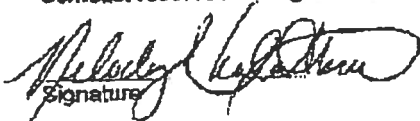


Comcast of Montgomery County Attendance Policy
Acknowledgement

Please take a few minutes and review this policy and sign below to notify Comcast that you have read and fully understand this policy. If there is any part of this policy that is not clear to you, please speak to your supervisor, manager or Human Resources Manager as soon as possible for clarification.

I, MELINDA V. KHALATBARI (print name), acknowledge receipt and reading of the Comcast of Montgomery County, Inc. System Attendance policy (revised 06-2001).

By signing this acknowledgement, I agree to abide by the provisions outlined in the policy. This policy is neither a promise of benefits nor a guarantee of employment. Comcast reserves the right to amend or change this policy at any time.


Signature

11/30/2003
Date

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION

COMCAST OF POTOMAC, LLC,

Plaintiff,

v.

MELODY KHALATBARI,

Defendant.

CIVIL ACTION NO. _____

DECLARATION OF LISA ALTMAN
PURSUANT TO 28 U.S.C. §1746

I, Lisa Altman, declare under penalty of perjury, as follows:

1. I submit this declaration in support of the motion of Comcast of Potomac, LLC ("Comcast") in this matter for a temporary restraining order and a preliminary injunction.

Background

2. I base this declaration on personal knowledge and information.
3. I am the Regional Manager of Communications for the Comcast Washington, D.C. metropolitan area.
4. I know Melody Khalatbari and worked with her when she was employed by Comcast.

Resignation

5. On Monday morning, August 8, 2005, Melody resigned her position at Comcast to accept a similar position with Verizon Communications ("Verizon"). Verizon is one of Comcast's principal competitors.

6. I had no idea that Melody had interviewed with or planned to go to work at Verizon until she gave notice that morning.

7. When I spoke to Melody that morning it was obvious to me that she had come in over the weekend and cleaned out her office. Melody told me that she had been preparing to leave for a while and that she had no "loose ends."

**Discovery of Misappropriation of
Confidential Information and Company Property**

8. After Melody left I was assigned, along with others, responsibility for handling her job duties on an interim basis. As part of this task I was given access to Melody's office email account.

9. I accessed her former email account to obtain documents and information for projects that required work.

10. Late in the day on Tuesday, August 9, 2005, I began to notice email messages from Melody Khalatbari's email account at work to her personal or home email account. Her personal email account is melodyhari@comcast.net.

11. The messages were all in the deleted section of her work email box. Each email contained numerous attachments. Melody had sent the emails to her personal email account between July 29 and August 5, 2005.

12. I further investigated the deleted email messages and realized that the attachments to the emails that Melody had sent to her personal email account were all Comcast company records, including a number of sensitive, highly confidential documents and numerous types of subscribers lists containing personally identifiable subscriber information.

13. The emails that I found including the following:¹

- Friday, July 29, 2005, 10:38 a.m.: an email with one attachment consisting of a 39 page, nationwide, alphabetical list of certain cable franchises identified by Comcast as having some version of a "level playing field" clause.

- Friday, July 29, 2005, 3:43 p.m.: an email with attachment consisting of a spreadsheet called "Final Programming List."

- Monday, August 1, 2005, 1:15 p.m.: an email with one attachment consisting of a draft of a letter to Montgomery County entitled "Channel Change."

- Monday, August 1, 2005, 6:16 p.m.: an email with several attachments, including agendas and contact lists for something called the "Comcast Advisory Group."

- Monday, August 1, 2005, 7:32 p.m.: an email with **seven** attachments, including highly proprietary contact and mailing lists. The attachments were entitled:

- (i) Addresses for CLE email.
- (ii) E-mails addresses 7-19-05.
- (iii) A subscriber list entitled "Happy Customers."
- (iv) Comcast of Montgomery Leadership Team Roster.
- (v) Service Interruption backup.
- (vi) Gaithersburg Compliance Report.
- (vii) VIPs 7-12-05.

- Monday, August 1, 2005, 7:33 p.m.: an email with **six** attachments, including highly proprietary subscriber lists and contact lists for "VIPs." The attachments were entitled:

¹ Due to confidentiality and privacy concerns, the actual emails with all of the attachments will either be submitted to the Court for in camera inspection and/or filed under seal pursuant to E.D. Va. R. 5. ♦

- (i) Additions to VIP list.doc.
- (ii) Delegation Homes.xls.
- (iii) Outage 8.28.04.xls.
- (iv) Platinum subs 9.28.04.xls.
- (v) VIP by Nodes.xls.
- (vi) VIP Subs 10.29.04.xls.²

- Wednesday, August 3, 2005, 3:01 p.m.: an email with twenty-five Excel and Word attachments. Key among those twenty-five are attachments titled: Correspondence Log.doc, County Complaint updates.doc, Customer service provisions.doc, Overbuild questions.doc, Quirky Franchise Requirements, Quirky Franchise Requirements 2, and Rate Increase Chart.xls.

- Wednesday, August 3, 2005, 3:03 p.m.: an email with another twenty-one attachments in Word and Adobe Acrobat format, all of which related to dealings with local governmental officials.

- Wednesday, August 3, 2005, 3:05 p.m.: an email with fifteen more attachments, all in Word format, consisting of various templates for letters, lists and meeting outlines.

- Wednesday, August 3, 2005, 3:06 p.m.: an email with one letter from November 2003 attached concerning Comcast's response to Hurricane Isabel.

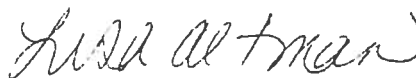
- Friday, August 5, 2005, 11:02 a.m.: an email containing the text of a letter sent August 18, 2003.

² These attachments were mostly Excel spreadsheets. "Platinum" is a reference to Comcast's 300-500 highest paying customers in the area. "VIP" refers to a customer who may be an elected official, public figure or other person of importance.

14. I immediately reported what I had discovered to other Comcast managers locally, regionally and at our Atlantic Division level.

I declare under penalty of perjury that the forgoing is true and correct.

August 15, 2005

A handwritten signature in cursive script, appearing to read "Lisa Altman", written over a horizontal line.

Lisa Altman