

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re)	Chapter 11 Cases
Adelphia Communications Corporation, <u>et al.</u> ,)	Case No. 02-41729 (REG)
Debtors.)	(Jointly Administered)

**ORDER PURSUANT TO SECTIONS
105 AND 363 OF THE BANKRUPTCY CODE AUTHORIZING AND
APPROVING: (I) CERTAIN AMENDMENTS TO DEBTORS’ EXISTING
EMPLOYMENT AGREEMENT WITH WILLIAM SCHLEYER AS CHAIRMAN
AND CHIEF EXECUTIVE OFFICER OF ADELPHIA COMMUNICATIONS
CORPORATION; (II) IMPLEMENTATION OF EXTENDED EVP
POST-CLOSING INCENTIVE PROGRAM; AND (III) IMPLEMENTATION OF
EXTENDED EMPLOYEE POST-CLOSING INCENTIVE PROGRAM**

Upon the motion (the “Motion”) of the debtors and debtors in possession in the above-captioned cases (collectively, the “Debtors”) and the Official Committee of Unsecured Creditors appointed in these cases (the “Creditors’ Committee”), for an order pursuant to 11 U.S.C. § 363 authorizing and approving: (i) certain amendments to the Debtors’ employment and compensation agreements with William Schleyer as Chairman and Chief Executive Officer of Adelphia Communications Corporation; (ii) implementation of the Debtors’ extended post-closing incentive plan for Executive Vice Presidents; and (iii) implementation of the Debtors’ extended post-closing incentive plan for certain key employees; and due and sufficient notice having been given as described in the Motion; and it appearing that no other or further notice is required or necessary; and the Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates and creditors; and on the record of these cases; and after due deliberation and sufficient cause appearing therefor,

ORDERED, that the Motion is granted; and it is further

ORDERED, that capitalized terms not otherwise defined herein have the meanings given to them in the Motion; and it is further

ORDERED, that the Schleyer/Cooper Motion is granted to the extent set forth in the Motion and this Order and the Debtors are authorized to enter into Amendment No. 3 to the Schleyer Employment Agreement, in the form attached to the Motion as Exhibit B; and it is further

ORDERED, that the Debtors are authorized to enter into and implement the Extended EVP Post-Closing Incentive Program as set forth in the term sheet attached to the Motion as Exhibit C; and it is further

ORDERED, that the Debtors are authorized to enter into and implement the Extended Employee Post-Closing Incentive Program as set forth in the term sheet attached to the Motion as Exhibit D; and it is further

ORDERED, that the Post-Closing Order shall remain in full force and effect, unmodified except as specifically set forth in the Motion and exhibits thereto; and it is further

ORDERED, that the payments to be made pursuant to the Schleyer Employment Agreement as amended, the Extended EVP Post-Closing Incentive Program, and the Extended Employee Post-Closing Incentive Program represent reasonable compensation for the services to be rendered by the CEO, the EVPs, and the Participants; and it is further

ORDERED, that this Court will retain jurisdiction to construe and enforce the terms of the Motion, the amendments to the Schleyer Employment Agreement, the Extended EVP Post-Closing Incentive Program, the Extended Employee Post-Closing Program, and this Order.

Dated: New York, New York
September 21, 2006

S/ Robert E. Gerber
HONORABLE ROBERT E. GERBER
UNITED STATES BANKRUPTCY JUDGE