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NYSCEF DOC. NO. 3

CANCELLATION AND RELEASE AGREEMENT

CANCELLATION AND RELEASE AGREEMENT (the "Agreement"), dated as of October 8, 2019, by and between line. acting on behalf of itself and its subsidiaries in which it has or may have had a direct or indirect controlling interest during the period preceding this Agreement (the "Company"), and (together, the "Releasors" and individually the "Releasing Parties"), who are the management of Altice Technical Services, a division of the Company. The Company and the Releasors are collectively the Parties.

WHEREAS, on March 15, 2018, the Company entered into an Employee Bonus Incentive Plan which was amended and restated on September 17, 2018 (the "Bonus Plan"), pursuant to which, among things, the Company and the Releasors set forth certain performance targets, incentive payments, and permit Releasors to earn and obtain bonuses in connection with their employment with the Company; and

WHEREAS, in connection with the performance of their employment and the entitlement to compensation under the Bonus Plan for 2018, the Parties have disputed the basis for calculating payments under the Bonus Plan (the "2018 Dispute"); and

WHEREAS, to date, the Releasors have received \$1.2 million in partial bonus payments pursuant to the Bonus Plan for 2018; and

WHEREAS, the Parties wish to settle and resolve the 2018 Dispute, release all claims of Releasors associated with their employment or the Bonus Plan for the period 2018, and maintain the Bonus Plan for the period through and including year end 2019 and;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

- 1. Bonus Compensation. In consideration of the agreements by Releasors set forth herein, the Company shall make additional bonus compensation payments to the Releasors, for the year 2018 performance only, in the amount of \$4.8 million, which shall be made in two payments of \$2.4 million (\$1.2 million paid by Company to each of the Releasing Parties) first on: (a) November 4, 2019 (or the first day of the "open period" commencing after the release of the Company's 3Q2019 earnings) and (b) second on December 31, 2019. The Company reserves the right to make the bonus payments in cash or in an amount of Altice USA class A common, publicly traded stock ("Altice Stock") as soon as administratively practicable (allowing for any required approvals, issuance, transfers and distribution of shares) upon the commencement of the next "open period" under the Company's Insider Trading Policy; it being understood that if the payments are made in the form of Altice Stock, the number of shares will be calculated by dividing the net payment amount, after reflecting required employee tax withholdings by the closing price of Altice Stock on the immediate business date preceding payment.
- <u>Termination of Bonus Plan</u>. The Bonus Plan is terminated effective on the earlier of (i) December 31, 2019, or (ii) the date the parties put in place a new bonus or ownership incentive plan; provided that after December 31, 2019, the current Bonus Plan shall continue, month to month thereafter until a substitute bonus or ownership incentive plan is put in place. Any bonus under