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Corporate Standards of Business Conduct

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Item Type	Preprint
Authors	Time Warner Inc.
Publisher	Time Warner Inc.
Rights	With permission of the license/copyright holder
Download date	2026-11-13 07:04:15
Link to Item	http://hdl.handle.net/20.500.12424/218331

A MESSAGE FROM THE CHAIRMAN AND CEO

Dear Time Warner Colleagues:

In April, our Board of Directors approved a substantial revision of our Standards of Business Conduct Ò the place where we set forth our most important standards governing the way we are all expected to carry out our responsibilities as employees. These new Standards of Business Conduct have been expanded to make even clearer the importance to our Company of abiding by the law, telling the truth, keeping our promises, serving our Company and shareholders with our primary business loyalty, and steering well clear of the excesses and ethical lapses that have hurt businesses so substantially in recent years.

The new Standards of Business Conduct set forth our standards in detail and are contained in this booklet. They are also posted on the Companyès internal Web site and are available to our stockholders and the public generally. These Standards apply immediately to all Corporate employees. Wherever you work at Time Warner, these Standards should make unequivocal our commitment to the following broad principles:

- We respect and obey the law.
- We conduct ourselves as professionals and value diversity and merit in the workplace.
- Our business loyalties are to the Company and we avoid conflicts of interest, real or apparent, that may jeopardize this primary allegiance.
- We are not false. We account for and disclose information about our Company honestly and in accordance with professional and legal requirements.
- We deal honestly, fairly and respectfully with each other and with our suppliers, customers, competitors, governmental agencies and communities.
- While our content may sometimes engender controversy, we want no one to question our character.
- We encourage and accept good faith questions and challenges to conduct that may run counter to the Standards and we will not retaliate against those who raise or assert them.
- We do not promulgate hollow words – we mean these things and want our Company to be defined by them.

Our Board, our senior management and I all believe that complying with these Standards of Business Conduct is fundamentally important to our ongoing success as a Company. We urge all employees at all levels to embrace them and live by them.

Sincerely yours,



Dick Parsons
Chairman of the Board and CEO

TIME WARNER INC.

CORPORATE

STANDARDS OF BUSINESS CONDUCT

JUNE 23, 2005

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TIME WARNER CORPORATE
STANDARDS OF BUSINESS CONDUCT

OVERVIEW

The Time Warner Standards of Business Conduct reflect the commitment of Time Warner Inc. and its officers, executives and employees to conduct business according to the highest standards of integrity and ethics.

The Standards of Business Conduct set forth general policies and guidance on how we should conduct our business. They do not catalog every law or policy that applies to Time Warner or us as employees – rather the Standards focus on broad policies and principles that should guide our personal conduct as employees. Will every employee encounter every one of the Standards in their work? No, but it's important that everyone knows and understands the Standards and complies with both their letter and spirit.

We are expected to adhere to the highest standards of personal conduct, integrity, ethical behavior and professionalism because the result will be a work environment that encourages productivity, teamwork, and respect. Our understanding of and adherence to the Standards of Business Conduct and other policies of Time Warner matter to the growth and success of Time Warner. Promoting and maintaining the highest standards of business conduct are an important part of our effort to be one of the world's most respected and valued companies.

Do the Standards of Business Conduct Apply to Me?

Each employee of Time Warner Corporate is required to follow the Standards of Business Conduct set out herein as a condition of employment. Each Division of Time Warner has adopted Standards substantially similar to the ones set forth here, but with certain modifications appropriate for its specific lines of business. If you are employed by Time Warner Corporate, the Standards contained herein apply to you. The Standards adopted by each Division will govern only employees at that Division.

While the Standards of Business Conduct set forth policies and guidance on some important business and legal matters, they are not a written contract of employment. Employment with a Time Warner company is generally at-will, which means that either you or your Time Warner company may terminate the employment relationship at any time, subject to the terms of individual employment agreements. The Standards of Business Conduct are not intended to impose new terms and conditions of employment, where this would be contrary to the terms of any existing contractual relationships, such as collective bargaining agreements. For union represented employees, the implementation of the Standards at any Division may be subject to discussion with the relevant union representative.

There are other policies and procedures that are applicable to employees that aren't a part of the Standards of Business Conduct. For example, the Time Warner Employee Handbook contains additional detailed policies on HR issues, such as equal opportunity employment and sexual harassment. Certain senior executives are subject to supplemental policies governing trading in Time Warner securities and others are subject to the Code of Ethics for Senior Financial Officers set forth below. Those employed as attorneys for Time Warner are subject to special rules for reporting possible violations of law. It is your responsibility to be familiar with and abide by the policies that apply to you. If you have questions about these other policies, contact your supervisor or your HR representative.

What are My Responsibilities as an Employee? As a Supervisor?

The Standards of Business Conduct are a foundation. It is not possible to describe all business conduct in detail. To ensure compliance with the Standards of Business Conduct, applicable laws and regulations consider the following questions when making business decisions:

- Does it comply with the Standards of Business Conduct and other Company policies?
- Does it comply with applicable laws and regulations?
- Does it feel right?
- Is there someone else who should be consulted?
- How would the person I respect the most view this decision?
- How would this look in the newspaper?

As employees, we all have a responsibility to understand the laws, regulations and Standards that apply to our jobs and to always follow them. Any employee who fails to follow the Standards, laws and regulations that apply to our business put themselves, their co-workers and the Company at risk.

No one may justify misconduct or illegal conduct by claiming it was ordered by someone in higher management. No one, regardless of level or position, has the authority to direct conduct that is illegal or violates the Standards of Business Conduct.

Time Warner’s reputation for integrity can only be maintained, if we as individuals seek guidance when we are unsure about the proper decision to make in a difficult situation and report suspected or actual violations of these Standards and the laws that apply to our business.

Supervisors are asked not only to comply with the Standards of Business Conduct, but also to set a good example for those in their reporting group and to promote awareness of the Standards by all Time Warner employees. Supervisors have a responsibility to monitor the conduct of people they supervise and promote employee compliance with applicable laws, regulations and these Standards. Supervisors also have a responsibility to report serious misconduct to the Compliance Office and to support employees who seek guidance or report concerns.

Who Oversees the Standards of Business Conduct and Who Can Answer Questions about Them?

The Audit and Finance Committee of the Board of Directors and the Company's Compliance Officers oversee the Company's Ethics and Compliance Program and the Standards of Business Conduct that form its cornerstone. David S. Kris, Senior Vice President and Deputy General Counsel of Time Warner, has been appointed Chief Ethics and Compliance Officer to supervise and coordinate the implementation and administration of the Standards company-wide. Each Division has a Compliance Officer who administers the Standards within that Division. The Compliance Officers report to the Audit and Finance Committee through the Chief Ethics and Compliance Officer, who also functions in that capacity for Corporate. He can be reached through the Compliance Office as follows: TWCorpBusConduct@timewarner.com or 1-800-375-0288.

As you are reviewing these Standards, you may have questions about what a Standard means. Take a moment to review the Frequently Asked Questions, if any, after the Standards.

If these FAQs don't answer your questions, then please bring your question to the appropriate personnel. Generally speaking, you may contact your supervisor, Legal Department, or Human Resources Department. In addition, as you'll see below, for questions about certain types of conduct, the Standards provide you with more detailed guidance on which departments you should contact. If you have any questions about how the Standards of Business Conduct are affected by local laws and regulations outside the US, you may contact a member of your Legal Department.

In any event, if they cannot address your questions or concerns, or you don't feel comfortable talking to them, you can always bring your question to the Compliance Office.

How are the Standards of Business Conduct Enforced?

Reports of violations may be received from a number of sources, including employees, outside parties, or as a result of an audit or litigation. Once a report is received by the Compliance Office, it is promptly and thoroughly investigated (See "How Are Investigations Conducted"). Depending on the nature of the violation or the results of an investigation, disciplinary action may or may not be taken. Time Warner is not obligated to take any particular disciplinary action, but the discipline imposed may include: oral or written warning, probation, demotion, suspension, restitution, termination of employment including "for cause" termination that may result in forfeiture of stock options granted under Time Warner stock option plans, or referral for criminal prosecution or civil action. Some of the factors that may be taken into account are: the nature of the violation; the impact on Time Warner or any of its Divisions; and the individual's history of compliance with these Standards of Business Conduct.

How Are Investigations Conducted?

All reports will be investigated promptly and thoroughly, and will be treated as confidential to the extent practicable. All employees are expected to cooperate in investigations and refrain from interfering with or obstructing an investigation, misrepresenting or withholding information, attempting to discover the identity of anyone

cooperating in an investigation, or breaching the confidentiality of an investigation.

Interpretation and Waivers

As with any code of conduct, determinations will have to be made from time to time as to how particular facts and circumstances should be treated under these Standards. For example, in considering whether a conflict of interest may exist, all of the relevant facts and circumstances should be considered, including the ability of the Company to eliminate the conflict by monitoring conduct or taking other appropriate actions. Where a conflict is determined to exist involving any senior officer of Time Warner who is subject to Section 16(b) of the Securities Exchange Act of 1934, or in the event that any other of the Standards are implicated by potential conduct of such a senior executive officer, waivers of the Standards may only be granted by the Audit and Finance Committee of the Board of Directors and any such waiver must be promptly disclosed to the Company's shareholders.

Questions or Concerns:

If you have questions or believe that violations of the Standards are occurring or have occurred, you should not keep the information to yourself, but should promptly inform the appropriate personnel. As a general rule, you may contact your supervisor, Legal Department, Human Resources representative, or Compliance Office with questions or concerns. In addition, as you'll see below, for certain types of violations, the Standards provide more specific guidance on whom you should contact.

In any event, you may always contact the Compliance Office with questions or concerns as follows:

- ***send an e-mail to***
- ***TWCorpBusConduct@timewarner.com***

- ***make a telephone call (which may be anonymous) to the Compliance Help Line at: 1-800-375-0288***

- ***send a letter (which may be anonymous) addressed to***

Compliance Office
Time Warner Inc.
One Time Warner Center
New York, New York 10019

- ***send a fax to (212) 504-2686***

Supervisors and the Legal and HR Departments should report all serious violations of the Standards to the Compliance Office as soon as possible.

Time Warner does not permit retaliation against any employee who in good faith seeks advice, raises a question or reports misconduct. Anyone engaging in retaliation will be subject to disciplinary action, which could include termination of employment.

General FAQs

1. Who is required to comply with the Standards of Business Conduct?

The Standards on this web site are applicable to all Corporate employees of Time Warner. Employees of its wholly-owned or controlled subsidiaries are required to comply with the Standards of Business Conduct in place at the applicable Division.

If you have a question about whether the Standards of Business Conduct apply to you, please contact your supervisor or HR representative, and if they can't answer your questions, ask the Compliance Office.

2. Who is a Time Warner Corporate "employee"?

Employees on the payroll of the parent company, Time Warner Inc., who are generally located in New York, Washington, D.C., and Dulles, Virginia. Corporate does not include employees in any of the Company's Divisions. Employees of third party organizations or independent contractors providing services to Time Warner are not employees of Time Warner.

3. What are the Time Warner Divisions?

- AOL
- HBO
- New Line
- Time Inc.
- Time Warner Cable
- Turner
- Warner Bros

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4. Please explain the responsibility of senior management and managers under the Standards of Business Conduct.

Those who supervise others are asked to comply with the Standards of Business Conduct, and also to set a good example for those in their reporting group and to ensure awareness by all Time Warner Corporate employees.

If you are a supervisor, you also have a responsibility to advise your own supervisor, the Legal Department or your HR representative of possible serious violations of the Standards and they in turn should notify the Compliance Office so that appropriate follow-up action may be taken. It is extremely important that supervisors should not themselves investigate or seek to remedy sensitive and potentially serious matters such as allegations of financial or accounting improprieties, sexual harassment or discrimination charges.

5. Am I required to sign the Standards of Business Conduct?

Yes. This is required as part of the in-processing for new employees. Because the Standards of Business Conduct may be updated and supplemented from time to time, you periodically may be asked to acknowledge that you have read and understand the Standards as currently in effect. You are also required to comply with other standards and policies of the Company that are published from time to time.

You should understand that these Standards, as they may be updated or otherwise changed from time to time, represent the policies of the Company and are applicable whether or not a given employee has actually signed an acknowledgement.

6. Under what circumstances should I report a violation of the Standards to the Compliance Office?

If you believe a violation of the Standards is occurring or has occurred, you should report it to your supervisor, the Legal Department or your HR representative (or one of the other areas specifically mentioned below). If you do not feel comfortable doing that, you should report it to the Compliance Office. Supervisors and the Legal and HR Departments should report all serious violations of the Standards to the Compliance Office as soon as possible.

7. What happens if I report a violation of the Standards of Business Conduct?

The Compliance Office will promptly and thoroughly investigate or cause to be investigated, any report it receives. If you do choose to identify yourself in the report, Time Warner will seek to keep your identity confidential to the extent practicable. If you do not wish to be identified, you have the opportunity to make a report anonymously by calling the Compliance Office Help Line or by writing and sending a letter to the Compliance Office.

If you make a report of a violation, it is up to you whether to identify yourself or to make an anonymous report. However, if you choose to make an anonymous report, you should understand that Time Warner may not be able to make as thorough an investigation as it could if you did identify yourself. Time Warner does not permit retaliation against any employee who in good faith seeks advice, raises a question or reports misconduct. Anyone engaging in retaliation will be subject to disciplinary action which could include termination of employment.

8. What are the consequences of violating the Standards of Business Conduct?

It really depends on the situation. Time Warner is not obligated to take any particular disciplinary action. The discipline imposed will take into account the nature, severity and frequency of the violation and could include: oral or written warning, probation, demotion, suspension, restitution, termination of employment (including “for cause" termination that may result in forfeiture of stock options granted under Time Warner stock option plans), or referral for criminal prosecution or civil action.

Note that criminal prosecution is not within Time Warner's discretion; instead, it is within the discretion of a state or federal prosecutor, to whom Time Warner may refer any violation as appropriate. Time Warner is not committed to defending any violators of the laws referred to in the Standards of Business Conduct.

9. What should I do if I'm asked to do something that I think violates the Standards of Business Conduct or is illegal?

First, you should discuss your concerns with your supervisor. If you are not comfortable doing so, you should contact the Compliance Office. Some of the Standards may direct you to additional people who can help answer these questions.

10. How do I find the Standards of Business Conduct in the future?

You can find the Standards online at a number of locations, including on In Site (under Policies, and Employee Connection) and on the Time Warner INFOCENTER site.

MAINTAINING A PROFESSIONAL WORKPLACE

Equal Employment Opportunity

Time Warner is committed to the creation of a work environment in which fairness, equity, trust and individual responsibility are valued. Time Warner believes that talented and dedicated employees are our most valuable asset. At Time Warner, everyone is given an equal opportunity to succeed.

Time Warner is committed to equal opportunity in employment and to creating, managing and valuing diversity in its workforce. Time Warner does not unlawfully discriminate with respect to hiring, promotion, compensation, training, assignment of job responsibilities, termination, or any other aspect of the employment relationship on the basis of race, color, national origin, religion, sex, age, sexual orientation, marital status, physical or mental disability or veteran's status.

Furthermore, in all other matters relating to employment or any of the other ways Time Warner and its employees interact, Time Warner is committed to compliance with the many laws that are applicable to the workplace.

Questions or Concerns:

See guidance in the following Standard.

Harassment and Sexual Harassment

Time Warner supports a workplace that is free from unlawful harassment. We expect that all employees will treat each other with fairness and respect. Harassment on the basis of race, color, national origin, religion, sex, disability, sexual orientation or as otherwise prohibited under applicable law, will not be tolerated and is strictly prohibited by Time Warner policies.

Harassment includes, without limitation, verbal harassment (derogatory statements, slurs, epithets), physical harassment (assault, physical interference), visual harassment (cartoons, drawings, postings, e-mail) and innuendo. Sexual harassment includes unwelcome sexual advances, requests for sexual favors or other visual, verbal or physical conduct of a sexual nature that (1) is made a term or condition of employment, (2) is used as the basis of employment or advancement decisions, or (3) has the purpose or effect of unreasonably interfering with work or creating an intimidating, hostile or offensive work environment.

Any retaliation against an individual who has complained about harassment or discrimination, or against an individual for cooperating with a discrimination or harassment investigation, is also prohibited. No person will be subject to discipline, retaliation, intimidation, or any other adverse treatment because he or she has made a complaint of discrimination or harassment in good faith.

Questions or Concerns:

Employees should report instances or problems of possible discrimination or harassment directly to Human Resources, Legal, or the Compliance Office.

If you have any questions or want to know more about Equal Employment Opportunity, Harassment and Sexual Harassment Standards, please refer to the complete text of related policies and procedures in Time Warner's Equal Employment Policy, the Accommodation of Individuals With Disabilities Policy, and the Harassment and Sexual Harassment Policy, all of which are contained in the Time Warner Employee Handbook and also available on the Company's website and in the Human Resources Office. You may also consult with your HR representative with any questions.

Drug-Free Workplace

Time Warner is a drug-free work place. Time Warner is committed to maintaining a work environment that is free from the influence of illegal drugs or controlled substances. The object of this Standard is to provide a safe, healthy and productive work place for everyone, in order to prevent accidents, and to comply with federal and state health and safety regulations.

While performing your job duties or while on Time Warner premises (including the premises of Divisions), Time Warner prohibits the illicit use, possession, sale, conveyance, distribution, or manufacture of illegal drugs, or controlled substances in any amount or in any manner. Any violation of this policy will result in disciplinary action, up to and including termination and referral for criminal prosecution. In addition, Time Warner prohibits the abuse of alcohol or prescription drugs while performing your job duties or while on Time Warner premises (including the premises of Divisions). If you need help because you have a substance abuse problem, see your Human Resources representative.

FAQs

1. What about Company-sponsored gatherings where alcohol is served?

From time to time, a Time Warner may sponsor an event where alcohol is served. It is up to you, using your best judgment, to decide when you have had enough to drink. The abuse of alcohol, even at a Time Warner sponsored event, is strictly prohibited.

2. What if I am off duty and off Company premises?

It is not the intent of Time Warner to monitor or regulate an employee's behavior off duty and off premises. However, if such off duty behavior adversely affects an employee's job performance, the Company reserves the right to take appropriate action.

Environmental, Health and Safety Laws

The Company is committed to complying with all environmental, workplace health and safety laws and regulations applicable to our businesses. This commitment requires the vigilance of each and every Company employee.

Employee responsibilities include:

- Ensuring proper handling, storage and disposal of chemicals, potentially hazardous materials and waste
- Responsible handling, storage, maintenance and disposal of materials and equipment used in our businesses
- Creation and maintenance of workplaces that meet or exceed the required standards for the health and safety of our employees, neighbors and visitors
- Maintaining all required permits, records and reports
- Ensuring that all fire exits remain clear
- Following applicable safety practices and wearing appropriate protective equipment

- Ensuring safe driving practices, including using seatbelts when on Company business

Every employee has a role in protecting the environment, and ensuring a safe and healthy workplace. All supervisors have responsibility for oversight of Company activities in their area of supervision.

Questions or Concerns:

If you have any questions or concerns about the Company's compliance with this Standard, please contact your supervisor. All supervisors should report any activities or conditions that may be in violation of this Standard and that are not being adequately remedied to the Compliance Office.

PROTECTING COMPANY RECORDS AND INFORMATION

Integrity of Financial Records and Statements; Public Disclosure and Reporting

Our financial records serve as a basis for managing our business and are important in fulfilling our responsibilities to our stockholders, contract parties, vendors, suppliers and customers. They also are necessary for compliance with accounting, tax, public disclosure and other requirements, and are used as a basis for preparing our financial statements, tax filings and other important documents.

We are committed to maintaining materially accurate and complete financial records and to full, fair, accurate, timely and understandable disclosure in material respects in reports and documents that the Company files with the SEC or otherwise makes publicly available.

To facilitate the reporting of potential accounting, control and auditing issues, and in response to Section 301 of the Sarbanes-Oxley Act of 2002, the Audit and Finance Committee has established the following procedures for the receipt, retention and treatment of complaints regarding accounting, control and auditing matters, and the confidential, anonymous submission of concerns regarding questionable accounting or auditing matters (collectively, "Accounting Complaints"). Accounting Complaints concern matters such as fraud or deliberate error in the preparation or audit of any financial statement record of the Company; deficiencies in, or noncompliance with, the Company's internal accounting controls; misrepresentations or false statements to or by an officer or accountant regarding a matter contained in the Company's financial or audit records or reports; or other deviation from full and fair reporting of the Company's financial condition.

Any person, including employees of the Company, may submit a good faith Accounting Complaint to the Company through the Compliance Office or the Controller. Employees will not be retaliated against in any way for submitting such a Complaint, and may submit

Complaints anonymously and confidentially using the communication methods described elsewhere in these Standards.

Accounting Complaints will be dealt with by the Company promptly and confidentiality will be maintained to the fullest extent practicable, consistent with the need to conduct an adequate review and response. Where the Compliance Office or other Company management determines that an Accounting Complaint is both credible and material to the Company's financial reporting, financial condition or internal controls, the Audit and Finance Committee will be promptly informed.

The Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee in the terms and conditions of employment based upon any lawful actions of such employee with respect to good faith reporting of an Accounting Complaint or the provision of assistance in investigating or otherwise helping to resolve the Accounting Complaint. Retaliation against a complaining employee may result in disciplinary action by the Company and/or criminal liability. Any reported allegations of retaliation will be investigated promptly.

As required by Section 303 of the Sarbanes-Oxley Act, directors and officers of Time Warner, and employees and other persons acting under their direction, shall not coerce, manipulate, mislead or fraudulently influence the Company's independent public accountants at any time for the purpose of rendering Time Warner's financial statements materially misleading.

Questions or Concerns:

If you have any questions about this Standard, or if you become aware or concerned that a financial, tax or accounting record, statement or filing is inaccurate or misleading, including by omission, or that it fails to conform to applicable SEC rules, accounting standards or other Company policy, you should bring it to the attention of the Compliance Office or the Controller.

Likewise, you should inform the Compliance Office or the Controller if you have any reason to question the integrity of any employee who is involved in financial controls and reporting, auditing or similar functions.

You should also inform the Compliance Office or the Controller if you have any other concerns regarding accounting, internal accounting controls, or auditing matters.[1]

FAQs

1. What is a "financial, tax or accounting record, statement or filing"?

[1] Note that those employed as attorneys for Time Warner are subject to special rules set forth on the Company's website for reporting possible violations of law under Section 307 of the Sarbanes-Oxley Act of 2002.

This phrase is intended to be interpreted broadly and can include everything from an employee expense report to company financial statements and SEC disclosure documents. Other examples that may be included in this phrase are: journal entries; reports on company performance measurements; tax returns; and regulatory filings.

2. Sometimes accounting decisions are very difficult. What should I do if I disagree with an important accounting decision?

This Standard is not intended to require a report of matters of judgment over which reasonable people may differ so long as your views are given appropriate consideration. But if you feel that the wrong decision is being made and that the decision is resulting in materially misleading or inaccurate financial reports, you should discuss it with your supervisor or the Controller or call the Compliance Office for guidance.

3. What types of conduct could constitute improper influence of our Auditors?

Offering or paying bribes or other financial incentives, including offering future employment or contracts for non-audit services; providing an auditor with an inaccurate or misleading legal analysis; threatening to cancel or canceling existing non-audit or audit engagements if the auditor objects to the Company's accounting; seeking to have an auditor removed from the audit engagement because the auditor objects to the Company's accounting; any other exercise of undue influence or coercion.

False Statements

Making false statements to the government is illegal, carries severe consequences and is prohibited. In addition, all Time Warner reports and documents (whether on paper or in electronic form), ranging from job applications, resumes, time sheets, personal leave sheets and expense reports to corporate financial statements, must be prepared honestly and with care, and should present an accurate and complete picture of the facts. No false, artificial or misleading statement or entries should be made to Time Warner's books, records, account documents, or financial statements. False statements are not tolerated in any context and may result in termination of employment.

Dishonesty and Fraud

Like all organizations, ours is faced with risks from dishonesty and fraud which can take many forms and can cause the Company and our reputation immense harm. We are committed to the deterrence, detection and correction of such misconduct and to perpetuating a culture that does not tolerate it.

Broadly, dishonesty and fraud can involve many forms, such as

- theft or other misappropriation of assets, including assets of the Company, our customers and suppliers;

- questionable payments to agents, consultants or professionals who haven't been properly retained by the Company or have over billed or under performed services;

- misstatements and other irregularities in the Company's books, records, financial and disclosure statements, etc.;

- forgery or other alteration of documents;

- transfers to or deposits in the bank account of an individual, rather than in the account of the company with which we are doing business;

- billings made higher or lower than fair value, at a customer's request;

- payments made for any purpose other than that described in supporting documents;

- payments made to employees of customers or agencies through intermediary persons or organizations, or that seem to deviate from normal business transactions;

- bid rigging;

- embezzlement;

- fraud and other unlawful acts; and

- bribery and kickbacks.

  Examples of bribes or kickbacks that would not be tolerated by Time Warner include:

  - Giving something of value to an individual in return for a favorable exercise of that individual's discretion; and

  - A payment secretly made to a Time Warner employee by a vendor seeking Time Warner business with the purpose of influencing the employee to award business to the vendor or to secure more favorable terms.

    Questions or Concerns:

    If you encounter any circumstance that makes you suspect the occurrence of fraud or dishonesty in any form, you should advise your supervisor, the General Counsel or the Compliance Office promptly.

    Supervisors, when made aware of potential misconduct by subordinates, should advise the General Counsel or the Compliance Office for investigation and follow up as appropriate. Due to the important yet sensitive nature of suspected violations, supervisors should not themselves seek to investigate or "get to the bottom" of the situation. In addition to constituting violations of our Standards of Business Conduct, allegations in this area, if true, may constitute criminal violations of state or federal law. Investigations, therefore, should only be handled as directed by the General Counsel or the Compliance Office.

And while all employees have a duty to report suspected violations, supervisors have additional responsibilities in this area to:

- ***be alert to the possibility of fraudulent conduct or other dishonesty in your area of supervision;***
- ***determine what can go wrong in your area of responsibility; and***
- ***put in place and maintain effective procedures to discover and deter acts of wrongdoing.***

FAQ

What should I do if I suspect that someone I know may be involved in fraudulent or dishonest conduct involving the Company?

You should promptly report the situation to your supervisor, the General Counsel or the Compliance Office. You should not attempt to investigate the matter yourself. That should only be done at the direction of the General Counsel or the Compliance Office.

Code of Ethics for our Senior Executive and Senior Financial Officers

The following section is a supplement to our Standards of Business Conduct that applies specifically to our CEO and the senior executives and financial officers named therein. This special Code of Ethics has been adopted to comply with Section 406 of the Sarbanes-Oxley Act of 2002. While this Code of Ethics is specifically addressed to our CEO and the named senior executive and financial officers, it sets forth broad principles that run throughout the Standards of Business Conduct and that we expect all financial employees and indeed all our employees across the board to follow.

CODE OF ETHICS FOR OUR SENIOR EXECUTIVE AND SENIOR FINANCIAL OFFICERS

This Code of Ethics applies to Time Warner's Chief Executive Officer, Group Chairmen, President and Chief Operating Officer, if any, Chief Financial Officer, Controller, Deputy Controller and senior-most tax executive (and others performing similar senior executive functions at Time Warner from time to time in the future). It also applies to the Chief Financial Officer and the Controller of each of Time Warner's principal divisions. Time Warner expects all of its employees to act in accordance with the highest standards of professional integrity in all aspects of their business activities, to comply with all applicable laws, rules and regulations, to deter wrongdoing and abide by the Time Warner Standards of Business Conduct and other policies and procedures adopted by Time Warner that govern the conduct of its employees. But because of your leadership positions, you are setting an example for the rest of our employees and are expected to comply with this Code of Ethics to foster a culture of integrity and honesty in all our dealings.

Accordingly, you agree to:

1. Engage in and promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

2. Avoid conflicts of interest and disclose to the Time Warner Compliance Office any material transaction or relationship that reasonably could be expected to give rise to such a conflict;

3. Take all reasonable measures to protect the confidentiality of non-public information about Time Warner or its subsidiaries and their customers obtained or created in connection with your activities and prevent the unauthorized disclosure of such information unless required by applicable law or regulation or legal or regulatory process;

4. Take all reasonable measures to achieve responsible use of and control over Time Warner's assets and resources.

5. Promote full, fair, accurate, timely, and understandable disclosure in material respects in reports and documents that Time Warner or its subsidiaries files with, or submits to, the Securities and Exchange Commission and other regulators and in other public communications made by Time Warner, in accordance with the following guidelines:

    - all accounting records, and the reports produced from such records, must be in accordance with all applicable laws;

    - all accounting records must fairly and accurately reflect the transactions or occurrences to which they relate;

    - all accounting records must fairly and accurately reflect in reasonable detail in accordance with generally accepted accounting principles the Company's assets, liabilities, revenues and expenses;

    - all accounting records must not contain any materially false or intentionally misleading entries;

    - no transactions should be intentionally misclassified as to accounts, departments or accounting periods;

    - all transactions must be supported by accurate documentation in reasonable detail and in all material respects be recorded in the proper account and in the proper accounting period;

    - no information should be concealed from our internal auditors or our independent auditors; and

    - compliance with the Company's system of internal controls is required.

6. Comply with applicable governmental laws, rules and regulations, as well as the rules and regulations of the New York Stock Exchange and any other self-regulatory organizations of which Time Warner is a member; and

7. Promptly report any possible violation of this Code of Ethics to the Time Warner Compliance Office or any of the parties or channels listed in the Time Warner Standards of Business Conduct.

You will make every effort to cooperate with Time Warner and its subsidiaries' internal auditors and independent public auditors, and you will refrain from taking any action to fraudulently influence, coerce, manipulate or mislead any such auditors.

You understand that you will be held accountable for your adherence to this Code of Ethics. Your failure to observe the terms of this Code of Ethics may result in disciplinary action, up to and including termination of employment. Violations of this Code of Ethics may also constitute violations of law and may result in civil and criminal penalties for you, your supervisors and/or Time Warner.

If you have any questions regarding the best course of action in a particular situation, you should promptly contact Time Warner's General Counsel or the Time Warner Compliance Office.

Please note that, as provided in Time Warner's Standards of Business Conduct, Time Warner does not permit retaliation against any employee who in good faith seeks advice, raises a question or reports misconduct relating to the Standards of Business Conduct or this Code of Ethics.

Securities Trading

Introduction

Federal and state securities laws prohibit the purchase or sale of securities, such as Time Warner common stock, while in the possession of material non-public information. Disclosing such information, whether intentionally, carelessly or negligently, to others who trade in such securities in light of that information is referred to as "tipping" and is also prohibited by these laws. In addition to responding to these laws, this Standard has been adopted to avoid even the appearance of improper conduct on the part of anyone employed by the Time Warner Companies.

Our Securities Trading Policy

If any director, officer or employee of a Time Warner Company (Time Warner Inc. and its more than 50% directly or indirectly owned entities) has material non-public information relating to any Time Warner Company, it is our policy that neither that person nor any person who shares the same household may buy, sell or otherwise transfer (such as

making gifts of) securities of Time Warner or engage in any other action to take advantage of, or pass on to others ("tipping"), that information.

These restrictions apply to all securities of Time Warner, including common stock, convertible securities, and the indebtedness of Time Warner and its subsidiaries. These restrictions also apply to transactions involving Time Warner securities made through Time Warner's savings and thrift plans or similar benefit plans. This policy also applies to trading in the securities of other companies, including our partners, customers and suppliers, while in possession of material non-public information relating to the other company. In addition, even after you are no longer a director, officer or employee of a Time Warner Company, you should not trade in Time Warner securities if you are in possession of material non-public information.

Senior management of Time Warner and its Divisions will also be subject to additional restrictions relating to trading in Time Warner securities, including "black out" periods, that may be promulgated from time to time.

Officers of the Company who enter into an approved 10b5-1 trading plan in accordance with the Company's guidelines may execute trades in accordance with such plan and be deemed consistent with this Securities Trading Policy.

The Consequences

In addition to being a violation of Time Warner's policies, insider trading is a serious crime that carries severe penalties, including stiff fines and possible prison sentences even if the profit gained or loss avoided is small. Violations can also result in fines being imposed on Time Warner as the employer of individuals involved in the violation. In addition, company-imposed sanctions, including dismissal for cause, could result.

Material Information

Material information is any information that a reasonable investor would consider important in a decision to buy, hold or sell securities -- in short, *any information which could reasonably affect the price of the securities.* This requires a case-by-case factual inquiry and it may be difficult to determine whether information is material.

Common examples of information that frequently will be regarded as material are: projections of future earnings or losses; news of a pending or proposed merger, acquisition or tender offer; changes in pricing and other business strategies; an important financing transaction; changes in dividend policies or the declaration of a stock split or the offering of additional securities; changes in management; significant new products or discoveries; impending bankruptcy or financial liquidity problems; internal financial information which departs from what the market would expect; the gain or loss of a major contract; major litigation; and significant actions by regulatory bodies. Either positive or negative information may be material. We emphasize that this list is merely illustrative.

Transactions By Family Members

The trading restrictions described above also apply to your immediate family members if they are living in your household. The trading restrictions also apply to partners, roommates or any one else who lives in your household.

Questions or Concerns:

If you have any questions about whether a particular purchase, sale or transaction involving Time Warner securities or securities of another company is allowable you should contact the Legal Department.

Should you become aware of a potential insider trading violation, you should immediately advise the Legal Department or the Compliance Office.

You should also take steps, where appropriate, to prevent employees you supervise or other persons under your control from using inside information for trading purposes.

Confidential Information and Media Communications

Serious problems could be caused for Time Warner by unauthorized disclosure of internal information about Time Warner or a Time Warner Company, whether or not for the purpose of facilitating improper trading in Company securities. Employees of a Time Warner Company should not discuss internal matters or developments with anyone, even family and friends, other than Time Warner Company employees who have a legitimate need to know the information or otherwise as required in the performance of job duties. *"Inside information" is often inadvertently disclosed in casual or social conversations. Care should be taken to avoid such disclosures.* Also, confidential information in written form must not be brought to or left in public places and must not be faxed to locations where the fax could be intercepted.

This prohibition applies specifically (but not exclusively) to inquiries about Time Warner which may be made by the financial press, investment analysts or others in the financial community. It is important that all such communications on behalf of a Time Warner Company be through an appropriately designated officer or employee. Unless you are expressly authorized to the contrary, if you receive any inquiries of this nature, you should decline comment and refer the inquirer to Time Warner Investor Relations (analyst inquiries) or Corporate Communications (press inquiries). Unauthorized disclosure to the media of confidential information regarding Time Warner, including information about employees, business practices or financial information, is prohibited.

Questions or Concerns:

If you have a question or become aware of an unauthorized disclosure of information, please contact Investor Relations, Corporate Communications or the Legal Department.

FAQs

1. Does the securities trading policy apply to me?

The securities trading policy applies if you work for Time Warner. If you have a question about whether your company is covered by the securities trading policy, please contact the Compliance Office. Remember that even if the securities trading policy does not apply to you, the securities laws do apply.

2. If I get a "tip" on another stock, not Time Warner, can I act on it and still be in compliance with the securities trading policy?

Any information on another company that you obtain during the course of your work with a Time Warner Company must not be used to trade stock. Remember that even if the securities trading policy does not apply to a particular situation, the securities laws often apply, and the consequences for a violation of the securities laws can be severe.

3. I understand that I can't buy Time Warner stock based on non-public information, but can I advise a family member or friend to do so?

No, you are not permitted to pass on material non-public information to others.

4. What is "material non-public" information?

"Material" information is any information that a reasonable investor would consider important in a decision to buy, sell or hold securities. In short, it is any information that could reasonably affect the price of the securities.

"Non-public" information is any information that has not been publicly disclosed with enough time to allow the market to receive the information and act upon it. In general, you should not act on information until at least one business day after the release and wide dissemination of the material information.

5. Who is included within the definition of “immediate family?” Does it include roommates?

All of us (directors, officers and employees of the Time Warner Companies) are expected to be responsible for the compliance with the trading policy by members of our immediate family who share our personal household, and others within our household such as roommates or partners.

E-Communications and Information Security

This section addresses the important issue of your use **as an employee** of the Company’s electronic information facilities, which includes the Company’s computers and other Company-owned electronic devices, as well as its electronic services such as e-mail (which we mean to include instant messaging), message boards, chatrooms, voice mail, internet access, and word processing. Of course, this does not apply to

personal use of the AOL service from your home by you and your family where you will have the same privacy rights as other AOL subscribers.

No Expectation of Privacy

Because e-mail, voice mail and other electronic information resources are to be used for Company business and are the property of the Company, users cannot expect that their e-mail and voice mail communications or any other electronically stored information will remain private. The Company reserves the right to monitor use of e-mail and voice mail communications or any other electronically stored information in order to ensure compliance with Company policies and legal requirements, including, but not limited to, those set forth below:

- Because e-mail messages are the property of the Company, management may review any stored messages or files for any purpose, as it can for any other Company documents or records.

- The Company may be required to disclose e-mail, voice mail, and other electronically stored information to third parties pursuant to legal proceedings or governmental investigations.

- When an employee leaves the Company, management will be given access to his or her e-mail, voice mail, and other electronically stored information.

Use of Time Warner's e-mail, voice mail and other electronic information facilities constitutes the user's acknowledgement of, and consent to, the Company's right to conduct monitoring and disclosure as described above.

Non-Business Use

From time to time, employees may need to send a personal e-mail while on the job from a business screen name or e-mail address. As noted above, however, these communications are not private and may be discovered in a legal proceeding or governmental investigation. In addition, of course, your use of these facilities should not interfere with your work.

If you make personal use of e-mail or other interactive services (such as chat services or bulletin boards), you should make it clear that you are not communicating in an official capacity. In fact, you should not communicate to the public (such as in a chat room or bulletin board) in an official capacity without proper authorization. For personal matters, it is better to use a personal, rather than business, screen name or e-mail address.

Be Careful and Courteous

You should use the highest level of care and professionalism in preparing any communications through the use of Time Warner's electronic facilities, such as e-mail or voice mail. Remember that electronic communications create a record of conduct that is more like traditional written communications than purely oral conversations, and that electronic communications may be required to be disclosed as part of legal proceedings.

To be clear, writing an e-mail is the equivalent of writing a memo or a letter, rather than making a telephone call, and you should think of it as the equivalent of a letter to the editor of a major newspaper rather than a close friend, in the sense that various third parties – e.g., government regulators or private litigants – may gain access to the e-mail at some point. When you send an e-mail, you may be called upon to explain it years later in the context of a litigation or investigation where others may be attempting to put the worst possible spin on the e-mail.

So don't write e-mails carelessly. Be careful and professional and say only what you mean. And don't think that deleting e-mails will eliminate the problem. Not only are deleted items often recoverable, any attempt to delete or destroy documents, including e-mails, that are the subject of a request for production from the government or a private litigant is absolutely prohibited and may subject you and the Company to civil and criminal penalties.

Time Warner's electronic information facilities are not to be used in a way that is disruptive or offensive to others. Thus, when using the Company's electronic facilities (or when using a screen name or otherwise acting in a way that identifies you as a Company employee), you should refrain from things such as:

- transferring, posting, or communicating sexually explicit information and images;
- sending fraudulent, harassing or obscene communications;
- making untrue or disparaging comments of co-workers or customers;
- sending unsolicited bulk e-mail;
- sending e-mail that appears to come from another person; or
- engaging in any other conduct that is contrary to the Company's policies or detrimental to our public image.

Safeguarding Confidential Information. Our business depends on protecting the confidentiality of our proprietary or confidential information. All users must take reasonable measures to protect the confidentiality of proprietary information. In particular:

- You should consider, as appropriate, marking communications with "confidential" or "proprietary information" or "do not re-transmit", since e-mails can be easily re-transmitted to multiple recipients.

- You should follow the practice of deleting e-mail and voice mail messages in accordance with applicable document retention guidelines, although we may need to suspend these deletion practices for certain individuals, or for the Company, during certain litigation or governmental investigations.

- When transmitting extremely sensitive information, there may be risks associated with the use of e-mail. Cell phones and other portable devices using radio technology should also not be used for transmitting confidential or proprietary information unless the connection is encrypted.

- Some electronic communications may be attorney work product or privileged communications between Company employees and its attorneys. These communications should be clearly identified as "Privileged and Confidential." Such messages should be forwarded to others only upon authorization of the attorneys or

responsible corporate officials who may hold that privilege. The inadvertent or malicious transmission of such communications shall not be deemed to be a waiver by the Company or its counsel of any privileges that it may, by law, be entitled to assert.

- Electronic communications must not include any statements that may imply contractual obligations, unless you have followed all the normal steps for reviewing hard-copy contractual documents.

Safeguarding Time Warner's Systems. The Company's electronic information facilities, including all computer and telecommunications networks, are critical to our daily operations. We share responsibility for its security. In particular:

- You should protect the system from computer viruses. For example, you should use caution in downloading files, and never download from an unknown source. Also, you must be careful not to hyperlink from e-mail sent to you from an unknown source.

- You should cooperate with the Company's efforts to control and protect access to the Company's information systems, such as through the use of i.d.'s and passwords.

- Some of us may be provided remote access as needed to perform work. This creates a risk of unauthorized access to systems. Our Company could be jeopardized if an unauthorized user gains access to the network and steals source code, product plans, or other proprietary information. Anyone accessing systems remotely must protect sensitive corporate data by following specified security measures.

- Unless properly authorized, you should not attempt to test, or attempt to compromise, the system security measures put in place for computers and communications systems, such as through hacking, password cracking, file decryption, or copying software.

Protecting Customer Privacy. While this has most applicability in Time Warner Divisions, employees of Time Warner Corporate should set the example that respect for our customer's privacy is a paramount concern. This includes respect for and strict observance of the Terms of Service or any similar agreement between a Time Warner Company and its customers or subscribers.

Protecting Intellectual Property. Intellectual property, including trade secrets, patents and copyrightable works, are created through significant investment made by Time Warner and other companies. Examples of intellectual property include logos, trademarks, copyrights, patents, software, and inventions. You should use care in protecting Time Warner's intellectual property and must not infringe on the intellectual property rights of others. You should exercise the highest level of integrity and care in managing or accessing information that is available to you electronically. In particular:

- You may not use the Company's electronic information facilities to acquire a competitor's trade secrets or other proprietary or confidential information through unlawful means, such as theft, trespass, solicitation of leaks, or breach of a competitor's non-disclosure agreement.

- Copyright and trademark laws, as well as contracts, may prohibit the duplication or distribution of others' intellectual property (such as articles, pictures, musical recordings, etc.). You may not use the Company's facilities to reproduce or distribute others' intellectual property without their authorization, or beyond the extent otherwise permitted by a license or the law.

- The illegal copying of CDs, movies and other copyrighted material is a serious matter that is adversely affecting the entire media community. Downloading or uploading copyrighted material from peer-to-peer networks such as KaZaA, Morpheus, Gnutella or any other similar service without consent of the copyright owner is copyright infringement, and will not be tolerated.

- You also may want to consider whether any peer-to-peer services are being used on computers in your home. Please keep in mind that use of peer-to-peer services to download or upload copyrighted material without the consent of the copyright owner, whether in your office or your home, is illegal. It is also unfair to all of the talented individuals (including yourself) who contribute to the creation and marketing of creative works.

- Finally, unless properly authorized, you should not attempt to gain access to the e-mail, voice mail, or other electronic files of other users.

FAQs

1. What responsibility do business units have in maintaining the confidentiality of proprietary information in dealing with one another?

If you are not sure whether information should be shared amongst Time Warner Divisions, consult your supervisor.

2. Does this Standard mean that I can't send personal e-mail?

No. Realistically, our work lives and personal lives occasionally overlap. But, the Standard points out that e-mails that you send may not be private and may be discoverable in a legal proceeding or governmental investigation. Also, when you are at work, you are being compensated for your time and effort, so your activities should be focused on work during those hours.

3. Does this mean that I have to mark every piece of e-mail as "confidential?"

No, but it means that you need to be sensitive to the confidentiality of the mail you are sending and should consider marking it "confidential" where appropriate.

CONFLICTS OF INTEREST

Introduction

Our reputation for ethical business practices is critical to our growth and success. It is very important that all of us avoid any conflict between our private interests and the

interests of Time Warner. We also must avoid the *appearance* of such conflicts because perceived conflicts of interest can be as damaging as actual conflicts.

It is difficult to list every possible circumstance that could give rise to a possible conflict of interest. However, the guidelines set forth in this section will help you recognize situations likely to cause an actual or perceived conflict. If you have a question concerning a situation which may give rise to a conflict, speak to your supervisor or contact the Compliance Office. If further guidance or consultation is necessary, your supervisor or the Compliance Office will contact the Corporate Compliance Committee, composed of the Chief Financial Officer, the General Counsel and the Chief Ethics and Compliance Officer. Although the Corporate Compliance Committee is most commonly involved in considering the approval of the acceptance of gifts and requests for service on boards of directors, it may be consulted and its approval may be required for other significant conflict issues.

Note: Certain actions detailed in this Standard such as accepting an invitation to serve on the board of directors of other companies, accepting certain gifts, and making certain investments, require approval in advance from either the Compliance Office or the Corporate Compliance Committee after you have received approval from your supervisor.

We have established the following specific guidance in areas where conflicts often do arise:

1. **Gifts and Entertainment**
2. **Investments in other companies**
3. **Providing services to other companies**
4. **Working with family members**
5. **Corporate Opportunities**

Note: These Standards apply to you and to anyone, such as a relative, housemate, or friend, acting on your behalf or in a way that directly or indirectly benefits you.

1. Gifts and Entertainment

General Guidance: From time to time, you may receive or give gifts that are meant to show friendship, appreciation or thanks from or to people who do business with Time Warner companies. You should never accept or offer gifts or entertainment when doing so may improperly influence or appear to influence your or the recipient's business decisions. If you are involved in any stage of a decision to do business with another company or person, you must refrain from accepting or giving any gift or entertainment that may influence or appear to influence the decision to do business. Some business units may have additional restrictions on giving and receiving gifts and entertainment. You are responsible for knowing these business unit specific restrictions and abiding by them.

Quick Tips: Here are some helpful tips when considering whether to accept a gift:

- Cash gifts are never appropriate.

- Don't accept a gift if it could cause you to feel an obligation.

- Don't accept a gift from a vendor if it may give the vendor, other suppliers or subcontractors the impression that they have to provide similar gifts or favors in order to obtain company business.

- Don't justify accepting a gift by arguing, "Everybody else does it," "I deserve a break today," or "No one will ever find out."

Accepting Gifts; The $500 Rule: Larger gifts are more likely to cause a conflict of interest. Accordingly, the advance approval of both your supervisor and, if approved by your supervisor, then the Compliance Office are required in order to give or accept more than $500 worth of gifts to or from a single source in any 12-month period. Among the factors that will be considered in determining the appropriateness of any gift over the $500 amount will be whether the gift is customary or industry appropriate and openly given without any expectation or realization of special advantage.

Examples of appropriate gifts would be (1) t-shirts, mugs, pens or other widely distributed promotional items, (2) consumable items that can be shared with co-workers, (3) tickets to a cultural, sporting or major entertainment event to be attended without a representative of the giver where the total value of all tickets accepted is less than $500.

Accepting Entertainment Invitations: Social interaction is an acceptable means of building and maintaining business relationships. Functions such as business dinners, drinks, parties, receptions or meetings in a social context are appropriate if a significant purpose of the social event is business related and your participation is in the ordinary course of business, usual and customary and not so frequent as to suggest a business purpose is not valid. Accepting invitations in such circumstances to sporting, cultural, and major entertainment events is appropriate in most instances. When travel accommodations are included in any invitation, acceptance of the travel accommodations must be pre-approved by your supervisor.

Governmental Authorities: There are special rules that apply to dealing with federal and many state, local and foreign governmental authorities. For example, see the "Foreign Corrupt Practices Act" Standard below. These are likely to be more restrictive than the general guidance in these Standards, so you should contact the Legal Department for guidance before considering any gifts to or entertainment of any governmental authorities.

2. **Investments in Other Companies**

Time Warner employees may buy stock or hold investments in other companies, including companies that compete, do business, or are negotiating to do business with Time Warner. If an employee, however, holds a substantial interest in a Time Warner competitor, partner, or vendor (a "Partner/Competitor Company"), there may be a conflict between Time Warner's interests and the employee's financial interest. Accordingly, there are pre-approval requirements noted below for such investments for certain people depending on your job

responsibility. If you're unsure about whether a situation could result in a conflict of interest, ask for guidance from the Compliance Office.

Exempt Investments: The following types of investments generally will not give rise to a conflict of interest and, therefore, do not require approval, as long as they do not cause an actual or apparent conflict of interest:

- **"Grandfathered" investments** that you hold on the later of June 1, 2001, or your hire date;

- Investments in **mutual funds**;

- **Portfolio investments,** such as deferred compensation accounts or other funds offered through the Company, limited partnership interests or venture fund investments, as long as you do not make or influence individual decisions, directly or indirectly, regarding the securities held.

- **Appreciated investments** that are originally within the investment guidelines, but due to market appreciation increase above the guidelines.

Prohibited Investments: You may not:

- Participate as "Friends & Family" in a public offering of any Partner/Competitor Company, or

- Purchase syndicate shares, which are shares of stock being sold in a public offering that a brokerage firm seeking to curry favor with Time Warner has committed to purchase in block amounts, of any Partner/Competitor Company, or

- Invest in a company if, by virtue of your position with Time Warner, you (1) have access to a Partner/Competitor Company's material, nonpublic information or (2) may be able to influence Time Warner's decision to do business either with the Partner/Competitor Company or the broker offering the investment opportunity.

Approval Requirements for Other Investments:

Because the nature of your job responsibilities affects whether a conflict of interest is likely to occur, different standards apply to investments in Partner/Competitor Companies depending on your individual situation:

Corporate Officers. The Company does not wish to intrude unnecessarily into your personal financial circumstances and decisions. However, it is important to require approval of very large investments in Partner/Competitor companies (measured by reference both to the investor's net assets and the investee's value) by the senior management of Time Warner. **Therefore, if you are an officer of Time Warner at the level of Vice President or higher,** you must obtain written approval from the Compliance Office before making an investment in any Partner/Competitor Company of more than $100,000 that represents either more than 5% of your total net assets or more than 1% of the value of the

other company.

All Other Employees. All other employees are not subject to investment limitations based on dollar amounts or percentages. However, you are required to avoid real and apparent conflicts of interest and to comply with the Prohibited Investments standards listed above. Conflicts are more likely to occur if you are involved in negotiations or in managing a relationship with a company in which you (or someone close to you, such as your spouse) have invested. Many other situations can cause a conflict of interest to occur, and you should discuss any questions or concerns with your supervisor or the Compliance Office. **It is your responsibility to ensure that your investments or relationships with other companies do not cause a real or apparent conflict of interest between your personal interests and Time Warner's interests.**

3. Providing Services to Other Companies

(a) Board of Director Positions: There are serious responsibilities and obligations associated with becoming a member of any company's board of directors. These could include potential financial liability, time and travel commitments, public relations issues, and potential expectations of helping to make contacts within Time Warner. Therefore, you should not accept an invitation to become a board member (including an advisory board member) of any for-profit company unless you have received written pre-approval from your supervisor, and your supervisor has obtained written approval from the Corporate Compliance Committee. If you already are serving as a board member of other companies, you should promptly seek written approval from your supervisor and your supervisor should obtain written approval from the Corporate Compliance Committee.

In the event you have obtained approval to sit on an outside board, you must refrain from participating in or influencing any relationship or transaction between Time Warner and the other company. In addition, you must understand that if serving on an outside board begins to interfere with the proper performance of your job, or if the other company becomes a Partner/Competitor company or otherwise changes in a way that your continued service is no longer appropriate, you may be asked to resign your board membership.

(b) Other Services to Partner/Competitor Companies: Doing work for a Partner/Competitor Company could create a conflict of interest. In order to protect Time Warner from any appearance of impropriety, it is important that you receive approval for these types of situations. You should not, without written approval from your supervisor and if approved by your supervisor, from the Corporate Compliance Committee, serve as an advisor, consultant, advisory board member or employee of a Partner/Competitor Company.

(c) Other Services to Other Companies: If there is no actual or apparent conflict of interest or a violation of any written agreement you may have with Time Warner, and you continue to meet the performance standards of your job with Time Warner, you may provide services in any capacity not covered in paragraphs 3(a) and 3(b), including as an employee, to any other company without pre-approval. For example, providing services to a not-for-profit organization generally does not require pre-approval.

All employees will be judged by the same performance standards and will be subject to Time Warner's scheduling needs, regardless of any existing outside work requirements. If your outside work interferes with your performance or ability to meet the current requirements of your job, you may be asked to terminate the outside employment or your job with Time Warner.

You may not receive any compensation from outside sources for work performed in connection with your job with Time Warner.

4. Working with Family Members

(a) Relatives Within the Company: It is not unusual in companies the size of Time Warner for employees to have relatives who also work in other parts of the Company and, by and large, this does not result in conflict. But sometimes situations in this area can be troublesome. For example, it would probably be an inappropriate conflict for you to hire or seek to inappropriately influence another employee to hire a relative or member of your household. Similarly, it could be a conflict if you have a reporting relationship with, or work in the same area as, a relative or member of your household. Any such situation should be reported to the Compliance Office for approval.

(b) Relatives With an Interest in a Partner/Competitor: It also could be a conflict if you, on behalf of Time Warner, do business with any Partner/Competitor Company in which you or a family member has a personal or financial interest or stake. Any such situation should be reported to the Compliance Office for approval.

5. Corporate Opportunities

As employees of Time Warner, each of us owes a duty to the Company to advance the Company's legitimate business interests when the opportunity to do so arises. Employees are prohibited from taking for themselves (or directing to a third party) a business opportunity that is discovered through the use of corporate property, information or position, unless the Company has already been offered the opportunity and turned it down. More generally, employees are prohibited from using corporate property, information or position for personal gain or competing with the Company.

Sometimes the line between personal and Company benefits is difficult to draw, and sometimes both personal and Company benefits may be derived from certain activities. The only prudent course of conduct for our employees is to make sure that any use of Company property or services that is not solely for the benefit of the Company is reported beforehand to the Compliance Office for approval.

FAQs

1. A vendor routinely sends gifts to my office during the holidays. These are mostly baskets of flowers or fruit. May I accept them?

Yes, provided that the vendor has not given you a gift or a series of gifts worth more than $500 within a 12-month period, and that the gift would not otherwise cause a conflict of interest or the appearance of one.

2. Is there a dollar limit on gifts that may be accepted from current vendors?

Yes. You must obtain the approval of your supervisor and the Compliance Office in advance of accepting, from a single source, a gift or series of gifts worth more than $500 within a 12-month period.

3. Do the limits on gifts apply to vendors with whom we don't currently do business?

Yes. The limits on gifts apply to all gifts received in connection with Time Warner business, even if there's no current relationship with the other person.

4. If I am invited to a business dinner, convention or other gathering, the primary purpose of which is business related and my expenses are paid by others, is that a prohibited gift?

Functions such as business dinners, drinks or other meetings in a social context are not considered to be gifts if a significant purpose of the meeting is business related and your participation is in the ordinary course of business and is usual and customary. This can be a tricky area. If you are given tickets to a sporting event for your personal use, this should be considered a gift. If you attend such an event with partners or suppliers, it would ordinarily not be a gift unless this occurs with a frequency that suggests a business purpose is not valid. If you have any doubts about your participation in such events, they should be discussed with your supervisor and, if necessary, the Compliance Office.

5. What is the difference between a "gift" and a "bribe?"

A "gift" is made with "no strings attached" in the interest of, for example, building a business relationship or expressing thanks.

A "bribe" occurs if you accept or give something of value to someone *in return for* something else, such as the award of business or the exercise of the other's discretion or influence.

6. What is a "kickback?"

A "kickback" is something of value provided for the purpose of improperly obtaining or rewarding favorable treatment in connection with the award of a contract.

7. What if I am asked to accept a bribe, but refuse?

You should decline the bribe and immediately make a report with the Compliance Office.

8. What is a "Partner/Competitor Company?"

A Partner/Competitor Company is any competitor, partner, or vendor of a Time Warner Company. Obviously, Time Warner and its Divisions have a very large number of Partner/Competitor Companies which are impossible to list. Some examples are given below, but the important focus in this area is on significant relationships, not immaterial

and transitory ones. If you have any questions in relation to a specific investment or other transaction you are contemplating, you should ask the Compliance Office for guidance.

9. What is a "vendor" of Time Warner?

A "vendor" is a company that is negotiating to or has entered into a contract to provide services or goods to Time Warner. Some Time Warner vendors as of December 31, 2003 are listed below:

Cap Gemini
J&H Marsh & McLennan Inc.
J P Morgan Chase
MCI Worldcom Communications Inc.
Morgan Stanley & Co.
Bowne of New York City Inc.
R. R. Donnelley & Sons

This is not an all-inclusive list, and will change from time to time. If you have questions about whether a company is a vendor, please contact the Compliance Office.

10. What is a "partner" of Time Warner?

A "partner" is a company that is negotiating or has entered into a contract with a Time Warner Company that involves an amount of $1 million or more and has a term of one year or longer.

AT&T Corporation and Cisco Systems are examples of Time Warner partners as of December 31, 2003.

This is not an all-inclusive list, and will change from time to time. If you have questions about whether a company is a partner, please contact the Compliance Office.

11. What is a "competitor" of Time Warner?

A "competitor" of Time Warner is a company that is substantially engaged in the media, entertainment or internet service provider businesses.

Some Time Warner competitors are listed below:

Comcast Corporation
Bertelsmann A.G.
Earthlink, Inc.
General Electric
Hearst Publishing
Microsoft
The News Corporation
Vivendi Universal S.A.
Sony Corporation
Viacom
The Walt Disney Company
Yahoo

This is not an all-inclusive list, and will change from time to time. If you have questions about whether a company is a competitor, please contact the Compliance Office.

12. What are my "total net assets?"

The amount of your "total net assets" is the value of what you own, less your debt. A good guide to determine "total net assets" is to calculate the net gain of your vested stock options (the value of the stock less the exercise price of the options and less taxes due upon exercise) plus any equity in your house, plus net value of other financial assets.

13. Would it be a conflict of interest to serve as a director of another company? May I receive compensation?

Serving as a director of another company could cause an actual or potential conflict of interest. Therefore, you should not accept an invitation to serve as a director of any for-profit company without obtaining the written approval of the Corporate Compliance Committee. The Committee also will need to approve any compensation, including stock options, that you receive from the other company. You do not need approval to serve on the board of not-for-profit companies.

14. My mutual funds hold stocks of Time Warner Partner/Competitor Companies. Is this a conflict of interest?

You may freely invest in mutual funds that are registered under the Investment Company Act of 1940 without causing a conflict of interest. In general, mutual funds that are quoted in the Wall Street Journal and other major newspapers are registered under the Investment Company Act.

15. What is a portfolio investment?

A portfolio investment is a group of stocks you hold through someone else, such as a deferred compensation account, another fund offered through the Company, limited partnership, corporation or trust.

16. I worked very hard on a deal. Now the deal partner is going public, and I have been offered the opportunity to participate as "Friends & Family" in this partner's public offering. Can I do this?

Because of the potential conflict of interest, you may not participate in a directed stock purchase program, sometimes called a "Friends & Family Program," for a public offering of any Partner/Competitor Company.

17. Since before I came to Time Warner, I have held a sizeable investment in a company that has become a Partner/Competitor of Time Warner. Do I have to sell my investment?

No, provided your investment is not an actual or potential conflict of interest.

18. What if a friend asks me for some free advice for her start-up internet venture?

Use your best judgment to decide whether giving your friend advice on her new internet venture could be detrimental to Time Warner's best interests. If you're not sure, check with the Compliance Office before helping your friend.

19. What if I am a Vice President or above level employee and before I started at Time Warner, I made an investment in a Time Warner Partner/Competitor worth more than $100,000?

Investments that you hold before you start work at Time Warner are not subject to the investment guidelines. They are "grandfathered." This grandfather exception also applies to investments you held before the Standards of Business Conduct were rolled out to employees on June 1, 2001.

However, even though the investment is not subject to the investment guidelines, the investment may cause you to have an actual or apparent conflict of interest. If you have a question about whether your investment is an actual or apparent conflict of interest, discuss it with your supervisor or the Compliance Office.

20. What if I make an investment in a Time Warner partner that at the time is worth less than $100,000, but the investment appreciates to more than $100,000?

An investment that is within the guidelines at the time the investment is made is not subject to the investment guidelines, even if the investment appreciates to a level that exceeds the guidelines. They are "grandfathered."

However, even though the investment is not subject to the investment guidelines, the investment may cause you to have an actual or apparent conflict of interest. If you have a question about whether your investment is an actual or apparent conflict of interest, discuss it with your supervisor or the Compliance Office.

21. If some securities I own are grandfathered, can I buy more without approval?

No. Any new purchase will require approval if the total amount owned would have required approval.

22. If I am required to seek pre-approval for an investment, what are the criteria that will be used?

Some of the criteria that will be used to determine whether your investment would create an actual or potential conflict of interest are:

- your job function as it relates to the other company;
  - access to Time Warner's or the other company's nonpublic information;
  - your ability to make or influence Time Warner's decisions affecting the other company; and
- any personal relationship you have with the other company.

Note: This is not an all-inclusive list, and will change from time to time.

23. If I am required to seek pre-approval for providing services to other companies, what are the criteria that will be used?

Some of the criteria that will be used to determine whether your service would create an actual or potential conflict of interest are:

- potential financial liability;
- time and travel commitments;
- interference with ability to perform your job;
- public relations issues;
- potential expectations of helping to make contacts within Time Warner;
- your job function as it relates to the other company;
  - access to the other company's nonpublic information;
  - your ability to make or influence a Time Warner Company's decisions affecting the other company; and
- the terms of any written agreement you may have with the Company.

Note: This is not an all-inclusive list, and will change from time to time.

CONDUCTING BUSINESS IN A GLOBAL MARKETPLACE

Fair Dealing

We wish to promulgate a culture throughout the Company of integrity, honesty, incorruptibility and fair dealing in everything we do. We do not seek competitive advantages through illegal or unethical business practices. Each of us should endeavor to deal fairly with our customers, service providers, suppliers, competitors and fellow employees. No employee should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any unfair dealing practice.

We have an obligation to conduct all sales and marketing activities in a lawful, ethical and fair manner. Accordingly, Time Warner will not tolerate unfair practices, including lying, deception, mislabeling, improper certification or other similar activities obfuscating the truth.

Guidelines

We should strive to be fair in all our business dealings. Examples of unfair competition that would not be tolerated by Time Warner include, among others:

- Making untrue or deceptive statements in order to induce a party to enter into a contract or take any action;

- Committing industrial espionage to acquire a competitor's trade secrets;

- Making false, misleading or untruthful comments about competitors' products or services; or

- Making unfounded or misleading claims about Time Warner or its products.

Foreign Corrupt Practices Act

Anyone who works on international business should pay special attention to this section. **For purposes of Foreign Corrupt Practices Act compliance, "Time Warner" includes its directly and indirectly majority-owned companies.**

General Standards

The Foreign Corrupt Practices Act is a criminal bribery law. It was enacted into law to (i) prohibit bribery and (ii) impose accounting and recordkeeping requirements. The FCPA makes it illegal to pay, authorize, promise or offer a corrupt payment (or anything of value) to a "foreign government official" for the purpose of causing the foreign government official to act or fail to act or otherwise use his or her influence to assist Time Warner in obtaining, retaining or directing business. The FCPA is a complex law that is interpreted quite broadly. There are significant US criminal penalties for individuals and companies that violate FCPA and foreign countries may impose additional sanctions.

Without the advance written approval of the Compliance Office or your Legal Department, employees are not permitted to promise, authorize, offer or make any payment, including for travel, lodging or entertainment, in money, products or services, directly or indirectly, to any "foreign government official" (defined broadly). In addition, the Compliance Office or your Legal Department should be consulted before Time Warner hires any foreign agent, representative or consultant.

Red Flags

A number of factors, alone or together, could indicate that payments to an agent may involve violating the FCPA. Here is a list of examples:

- The country has a history of widespread corruption, bribery or FCPA violations;
- The industry has a history of FCPA violations (such as defense, aircraft, oil and construction);
- The agent refuses to certify that he will abide by the FCPA;
- An agent has family or business ties to a government official;
- An agent insists that his identity not be disclosed (anonymity);
- A potential foreign government customer recommends a particular agent;
- An agent lacks the staff or other resources to perform the services;
- It is illegal under local law for the agent to act as an agent;
- The agent makes statements that a particular amount of money is needed to, for example, "get the business" or "make the necessary arrangements;"
- The payment or commission requested by the agent is substantially above the

market rate, or the agent asks for a substantial up-front payment;
- Any of the following requests by the agent on method of payment: that payment be made by indirect means or in cash or check to bearer; requests for false invoices or other false documentation; requests that payments be made in a third country.

Exclusions

- It is permissible to make a facilitating or expediting payment in order to expedite or secure the performance of a routine governmental function. This exception is narrow and applies only to very small payments to government functionaries if it is clear that they are performing ministerial, and not discretionary, tasks.
- If the payment is permissible under the written laws and regulations of the foreign government official's country, there may not be a violation of the FCPA, but no such payments should be made without approval of the Legal Department.
- Certain reasonable and *bona fide* expenditures also are excluded from the FCPA.
- Costs incurred in connection with the execution of a contract or the promotion, demonstration, or explanation of a product or service for incidental, appropriately tailored, and accurately reported business entertaining incidental to the business activities.

You should not attempt to determine on your own whether the FCPA applies. Even excluded payments must be approved in advance by the Compliance Office or your Legal Department.

Summary of the FCPA Accounting Provisions

Under the accounting provisions of the FCPA, Time Warner must:

(i) make and keep books, records, and accounts, which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of its assets, and
(ii) establish accounting controls that provide reasonable assurances that:

(a) transactions are executed in accordance with management's instructions;

(b) transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and to maintain accountability for assets;

(c) access to assets is controlled according to management's instructions; and

(d) records are reconciled with existing assets at reasonable intervals.

Questions and Concerns:

If you find yourself in a situation that might raise issues in this area, you should contact the Legal Department or the Compliance Office.

FAQs

1. I am working on a transaction that will involve operations outside the US. It has been recommended that I hire an agent. What should I do?

You are required to contact the Compliance Office or your Legal Department and get clearance before hiring an agent, consultant, or representative outside the US for any matter that may involve foreign governmental officials or contacts.

It may be necessary to perform due diligence concerning the proposed agent's integrity and capabilities, to scrutinize carefully any warning signs ("red flags") indicating that the proposed agent may become involved in payments proscribed by the FCPA, and to secure contractual rights to ensure the proposed agent's compliance with the FCPA.

2. What is a "foreign government official?"

A "foreign government official" is defined broadly and includes the following:

- employees of a government-owned enterprise;
- any officer or employee, or anyone acting on their behalf, of any department agency or instrumentality of a foreign government;
- foreign political party;
- foreign political party official;
- offices of international organizations such as the International Monetary Fund;
- candidate for political office; or
- relatives of any of the above in certain cases.

Furthermore, the FCPA criminalizes corrupt payments to any person, including, for example, a sales agent, if Time Warner knows (or has reason to expect) that all or a portion of a payment will ultimately reach a "foreign government official." "Knowledge" may be inferred from a failure to make a reasonable inquiry or a conscious disregard, or deliberate ignorance, of facts.

3. Does this mean I cannot take an official of a foreign government to dinner to discuss a business issue?

Under the FCPA, you are free to dine with a foreign government official. If there is no corrupt intent, it's permissible to pay for his or her dinner, even though the dinner is something of value, as long as:

- the cost is modest;
- there is no hint that you are attempting to secure an improper advantage; and
- the cost is accurately reported on the Time Warner books.

Of course you must also comply with local (foreign) laws that may regulate or even prohibit such a dinner. If you have any questions about whether you should pay for dinner or any other local requirements, you should check with the Compliance Office or your Legal Department.

Antitrust Laws

Although every employee should be aware of the antitrust laws that govern our business, please pay special attention to this section if you have any contacts with the Company's competitors (for example, through industry events, trade association meetings, and even as a result of your prior jobs or your friendships), or if you are involved in deciding the prices or other terms on which we deal with our customers or suppliers.

KEY POINTS

Antitrust laws are designed to protect the free market and encourage competition. While that is a simple general statement, antitrust laws can be complex, varying country by country and sometimes state by state. Violating these laws can have very severe consequences not only for the Company, but also for individual employees (including civil and criminal penalties). In addition, the Company is subject to a number of consent decrees with regulatory agencies including, for example, the FTC order approving the merger of AOL and Time Warner.

To help you avoid problems, here are some basic principles to keep in mind. Overall, the antitrust laws prohibit unreasonable restrictions on competition. So, your best course of action is to engage in conduct that provides for vigorous and fair competition against our competitors, and reasonable treatment of our suppliers and customers.

Agreements Among Competitors

You should always consult with the Legal Department before entering into any agreement, or even sharing information, with competitors. The following types of agreements between competitors are almost always illegal:

- **Setting prices.** You should not agree with competitors about the prices we charge. You should also not even exchange price, or other competitively sensitive information, with competitors without first checking with counsel.

- **Allocating markets & customers.** You should not divvy up markets or customers where we would otherwise be in competition with our competitors – for example, by saying that we will sell product "x" to customers in one area, while our competitors will sell competing product "y" in other areas.

- **Boycotting.** You should not agree with competitors to exclude other competitors from the market. You should also not agree with competitors to boycott or refuse to deal with suppliers or customers.

Agreements Between Us and Our Customers or Suppliers

Obviously, to conduct our business, we need to negotiate agreements between the Company and our suppliers, and between the Company and our customers. But even these agreements can raise antitrust issues. In particular, the following agreements are presumed to be illegal:

- **Fixing resale prices.** You should not agree with customers on the minimum price at which they will re-sell our product or service.

- **"Tying" products.** Under certain circumstances, you should not require a customer to purchase a product that it does not want in order to buy the product that it does want.

Unilateral Action

In addition to the illegal *agreements* discussed above, it is sometimes illegal for us to take certain actions *on our own.*

- **Acquiring monopoly power.** You should not use unfair means to help the company acquire monopoly power.

- **Abusing monopoly power.** Even if the company has lawfully acquired monopoly power, you should not abuse that power to limit competition.

Mergers, Acquisitions, and Joint Ventures

The antitrust laws in the United States – and in many other countries – also regulate mergers, acquisitions, and joint ventures. In many cases, we need to receive regulatory approval for such transactions *before* they take place. The filing requirements are different in each country, so if you are working on a merger, acquisition, or joint venture, be sure to consult with the Legal Department to determine what kind of regulatory approvals will be necessary.

Questions and Concerns:

If you find yourself in a situation that might raise antitrust issues, you should contact the Legal Department.

Export, Import and Anti-boycott Laws

Employees who work for Time Warner companies located outside the United States or who travel on business should pay particular attention to this Standard.

International transactions, including shipments of products and software, are subject to a variety of laws and regulations of the United States and other countries, including rules on export, import, embargoes and boycotts. Employees should be aware that such rules may prohibit or require certain conduct, and can result in civil and/or criminal penalties if violated.

To ensure compliance with all applicable laws, employees should consult with the Legal Department or Compliance Office in advance of proceeding with any international transaction or shipment that may implicate these laws.

Export – The laws of the United States, the European Union and other countries restrict exports of "dual-use" items that have both commercial and military uses, including

physical goods, software and technology (i.e., technical know-how). Such restrictions also apply to re-exports from one country to another, and cover international transfers of technology through interactions with foreign nationals. The dual-use products that many Time Warner companies regularly handle are encryption items and certain high-end computers and telecommunications equipment. In addition, particularly strict rules apply to exports (even if not involving a dual-use item) to countries that are subject to sanctions or to certain "prohibited parties". Finally, an export may require completion of certain documentation for shipment or transfer.

Import – International import laws are generally less restrictive than export laws, although various countries restrict import of encryption items and import paperwork and custom duty requirements are often stricter than export paperwork requirements.

Encryption – Numerous countries (including the US and all European countries) restrict the export of encryption software, hardware and technology and various countries, including China, France and Russia, impose restrictions on import, distribution and or use of encryption items. Employees who travel internationally with laptops should be familiar with restrictions on export and import of encryption products.

Sanctions – US and European law impose sanctions on transactions with companies and individuals from or associated with certain countries. At present, the US maintains broad sanctions on Cuba, Libya, Iran, Iraq, Myanmar (Burma), North Korea, Sudan and Syria. The US imposes other, narrower sanctions on a number of countries and European countries apply some or all of the European Union and United Nations sanctions on still other countries.

Anti-Boycott – US companies and individuals (and their foreign affiliates) may not participate in the Arab League boycott of Israel, or other international boycotts. US law prohibits accepting a request not to do business with Israel, to provide certain information on business relationships with Israel, or otherwise to comply with the boycott. You should report any such requests to your Legal Department or Compliance Office.

Questions and Concerns:

If you find yourself in a situation that might raise issues in this area, you should contact the Legal Department or the Compliance Office.

Political Activities and Solicitations

Personal Employee Political Activities. Employees are free to engage in personal volunteer political activity and contribute personal resources to candidates and parties in any manner consistent with federal, state, and local laws. Employees may not use Company resources or coercive solicitations to further their own personal political activities.

Company Political Contributions. The Company does not contribute to federal candidates, national political party committees or to other political committees (including state party committees). These contributions may only be made by the Company's political action committee (PAC). The Company may contribute directly to state

candidates in those states where permitted by state law, or use Company facilities in support of the Company's political activities, in each case only with the approval of Richard D. Parsons, Chairman and CEO of Time Warner or his designee, currently Executive Vice President, Carol Melton.

Political Action Committee (PAC). The Company sponsors a PAC, which allows Company employees to voluntarily pool their resources to support candidates for public office and fully discloses all contributions made and received on reports filed with the Federal Election Commission. The PAC gives money to candidates for federal, state, and local office and political parties and committees. The PAC from time to time solicits support from employees, but it will not solicit support from the Company's journalists. Further, the Company, its employees and the PAC may never engage in coercive solicitations.

> ***Questions or Concerns:*** ***If you have a question or want to report a possible violation of this Standard, please contact the Public Policy Office in Washington, D.C. Or, as with any question or possible violation of these Standards, you may contact the Compliance Office.***

FAQs

1. Does this mean I need clearance from someone at Time Warner to make political contributions or to actively participate in a political organization?

No. You are free to contribute your money, time or other resources, without the approval of the Compliance or Public Policy Offices, to a political campaign, cause, issue, candidate or other political activity, as long as you use your own (as opposed to Time Warner) resources and do so on your own time.

2. What are Time Warner "resources?"

Company resources include money, use of Time Warner facilities, supplies (including telephones, photocopiers and fax machines), letterhead, corporate names, logos, trademarks, or other intangible assets, or working time, either your own or that of other employees.

3. What is a "coercive" solicitation?

A coercive solicitation is one that suggests that the decision to contribute, or that the amount of the contribution, will affect the solicited person's standing with the Company, either favorably or unfavorably. In fact, the law requires solicitations to unequivocally inform the prospective donor that his or her contribution is entirely voluntary and that a failure to contribute will not result in any reprisal or other discriminatory treatment.