

Notice to Pay-TV Operators in Chile of Commitments

To Pay-TV Operators:

As you may know, on June 14, 2018 AT&T Inc. (“**AT&T**”) completed the acquisition of Time Warner Inc. (“**Time Warner**”). Closing of the acquisition was subject to approval by a number of competition authorities around the world, including the Chilean competition authority (“**Fiscalía Nacional Económica**” or “**FNE**”).

We strongly believe that the combination of AT&T and Time Warner is pro-competitive and cannot cause any harm to competition in Chile. AT&T is committed to preserving the competitive environment, and operating in the marketplace in a non-discriminatory manner.

To that effect, AT&T and its affiliates, including Time Warner, DIRECTV Latin America LLC (“**DIRECTV LA**”), and DIRECTV Chile Televisión Ltda. and Incubatv Comercializadora y Distribuidora Sociedad de Responsabilidad Ltda. (collectively “**DIRECTV Chile**”), have offered certain commitments to the FNE.


AT&T and its affiliates are bound by those commitments as agreed to by the FNE (“**Commitments**”) for a period of five years as of June 14, 2018.

Under the Commitments:

- Turner International Latin America, Inc. and CNN Chile Canal De Televisión Limitada (collectively “**Turner**”) undertake not to discriminate arbitrarily against pay-TV operators unaffiliated with AT&T in contravention of the Chilean competition laws;
- If, during your company’s negotiations with Turner in respect of the carriage of Turner’s linear television networks (and any ancillary services included as part of a pay-TV subscription) on your company’s pay-TV platform in Chile, or following any refusal by Turner to enter into or continue such negotiations with you, your company has a dispute with Turner relating to those negotiations or the absence of them, your company has the option to submit a written request to the Centro de Mediación y Arbitraje de la Cámara de Comercio de Santiago asking it to resolve that dispute; and
- Turner is obligated to insert a non-disclosure clause in any new or renewed agreements regarding the carriage of Turner’s linear television networks by your company that prevents any confidential information obtained by Turner as a result of negotiations or agreements with your company from being shared with any employees of DIRECTV Chile/DIRECTV LA.



A non-confidential version of the Commitments has been posted on the FNE's website (see http://www.fne.gob.cl/wp-content/uploads/2018/01/aprob54b_F81_2017.pdf) and is enclosed here for your reference.



Paul F. Washington
Senior Vice President & Deputy General Counsel