

Adelphia Recovery Trust  
919 North Market Street  
Seventeenth Floor  
P.O. Box 8705  
Wilmington, DE 19899  
April 5, 2011

### INFORMATION FOR U.S. FEDERAL INCOME TAX PURPOSES

This letter provides information relating to your share of income, gain, deductions and loss ("Tax Items") of the Adelphia Recovery Trust (the "Trust") to be reported on your 2010 U.S. Federal and State income tax returns.

The Trust reports as a grantor trust for tax purposes and interest holders are considered grantors. This means that you are treated as recognizing an allocable portion of each Tax Item of the Trust as if you recognized such income, gain, deduction or loss directly.

The Trust has items of income and expense, including interest income, trustee expenses, accounting and banking fees, professional fees, and costs to settle, that are being reported and that have been allocated by class of interest. The attached worksheets show the allocation of these Tax Items by class of interest and by month using the cash method of accounting. You may determine your share of the Tax Items by referring to the worksheet for the class of interest you hold. In general, if you acquired your interests before January 1, 2010, and did not dispose of any of them during 2010, you should calculate your share of the Trust Tax Items for the entire year. If you acquired your interests after January 1, 2010, or if you disposed of any of them during 2010, you should calculate your share of Trust Tax Items for the portion of the year you held your interests.

On December 21, 2010, the ART made a distribution of \$215 million in cash payable to holders of interests in the Trust. There may be tax consequences to holders associated with this distribution. As a general matter, distributions from a grantor trust affect tax basis and are not otherwise taxable for U.S. federal income tax purposes. However, the tax consequences to each holder depend on the particular circumstances of each holder, including the circumstances in which each holder acquired its interest in the Trust and the tax jurisdictions that apply to each holder. Information about this distribution can be found on our website at [www.adelphiarestructuring.com/Documents/ImportantDocuments/ARTDistributionCoverLetterFinal.pdf](http://www.adelphiarestructuring.com/Documents/ImportantDocuments/ARTDistributionCoverLetterFinal.pdf).

The Trust is also providing additional tax information for the calendar years 2007 through 2010 of recoveries from settled causes of actions and preferences and professional litigation expense that have been allocated by class of interest. This information can be found on our website by class of interest held at [www.adelphiarestructuring.com/Documents/ImportantDocuments.pdf](http://www.adelphiarestructuring.com/Documents/ImportantDocuments.pdf). Gain recognized upon a recovery from litigation will be reported as ordinary income. However, because the Trust has taken the position that it is entitled to recover its basis in the Trust assets before recognizing any gain, and because the recoveries in 2010 and earlier years have not yet equaled the Trust's basis in its assets (including the professional litigation expenses, all of which have been included in basis), the Trust is not reporting any gain on recovery for 2010 and has not reported any gain in any earlier year. However, the tax consequences to each holder depend on the particular circumstances of each holder, including the circumstances in which each holder acquired its interest in the Trust and the tax jurisdictions that apply to each holder.

THIS LETTER IS NOT INTENDED TO, AND DOES NOT, PROVIDE TAX ADVICE RELATING TO THE HOLDING OF INTERESTS. THIS LETTER DOES NOT ADDRESS ISSUES THAT MAY BE RELEVANT TO PARTICULAR CLASSES OF HOLDERS OF CVV INTERESTS (INCLUDING BUT NOT LIMITED TO SUBSEQUENT INTEREST HOLDERS). EACH HOLDER SHOULD SEEK TAX ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM ITS OWN TAX ADVISOR. HOLDERS OF CVV INTERESTS ARE HEREBY NOTIFIED THAT ANY DISCUSSION OF TAX ISSUES CONTAINED OR REFERRED TO IN THIS LETTER IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED UNDER THE INTERNAL REVENUE CODE. THIS INFORMATION MAY NOT BE USED OR QUOTED IN WHOLE OR IN PART IN CONNECTION WITH ANY OFFERING OR SALE OF SECURITIES.