

## **Time Warner Inc.**

### **Policy and Procedures Governing Related Person Transactions**

Revised by the Board of Directors  
February 18, 2010

#### **A. Purpose**

The Board of Directors of Time Warner Inc. (the “Board”) has established this Policy and Procedures Governing Related Person Transactions (this “Policy”) for the identification, review and approval or ratification of Related Person Transactions (as defined below) in order to avoid potential conflicts of interest and improper benefit to Related Persons (as defined below).

#### **B. Delegation of Authority**

The Board has delegated to the Nominating and Governance Committee of the Board (the “Committee”) the power and authority to review and approve or ratify any Related Person Transaction. The Board has also authorized the Committee to administer this Policy, including (i) reviewing and amending this Policy from time to time and (ii) developing, or delegating to others the task of developing, additional procedures for the gathering of information regarding potential Related Person Transactions.

The Committee has delegated to the Chair of the Committee the authority to review and approve or ratify any Related Person Transaction in which the aggregate amount involved is expected to be less than \$1 million, unless the Chair of the Committee is directly or indirectly involved in such Related Person Transaction, in which case such authority shall be delegated to another member of the Committee. The decision of the Chair with respect to any Related Person Transaction shall be reported to the full Committee at its next scheduled meeting.

Time Warner Inc.’s other policies, including the Standards of Business Conduct, Code of Ethics for Senior Executive and Senior Financial Officers, and Guidelines for Non-Employee Directors, contain provisions related to transactions with certain Related Persons. The procedures set forth in this Policy shall be applied in a manner consistent with these other policies. References to “the Company” in this Policy shall mean Time Warner Inc. and its consolidated subsidiaries.

#### **C. Related Persons**

For the purposes of this Policy, the following persons shall be considered “Related Persons:”

1. any person who is, or at any time since the beginning of Time Warner Inc.’s last fiscal year was, a director or executive officer of Time Warner Inc., or is a nominee to become a director of Time Warner Inc.;

2. any person or entity that is known to the Company to be the beneficial owner of more than five percent (5%) of any outstanding class of the voting securities of Time Warner Inc. (a “Significant Stockholder”);
3. any “immediate family member” of any of the foregoing persons, which includes such person’s child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law, and anyone residing in such person’s home (other than a tenant or employee); and
4. any entity in which any of the foregoing persons (i) is employed, (ii) is a general partner or principal or serves in a similar position, or (iii) has a ten percent (10%) or greater beneficial ownership interest (whether alone or aggregated with beneficial ownership interests of other Related Persons).

#### **D. Covered Transactions**

Except with respect to transactions determined to constitute Excluded Transactions (as defined below), transactions covered by this Policy (each, a “Related Person Transaction”) consist of any financial transaction, arrangement or relationship (including an employment relationship, a charitable contribution or pledge, indebtedness or a guarantee of indebtedness) or series of similar transactions, arrangements or relationships in which:

1. the aggregate amount involved will or may be expected to exceed \$120,000 in any calendar year;
2. the Company is, will or may be expected to be a participant; and
3. any Related Person has or will have a direct material interest or an indirect material interest.

An “indirect interest” of a Related Person in a transaction is an interest that arises from a person’s position or relationship with a corporation, firm or other entity that engages in the transaction.

#### **E. Procedures**

It shall be the responsibility of the individual directors, director nominees, executive officers and any Significant Stockholder of Time Warner Inc. to report at the earliest practicable time to the General Counsel or his designee any plan or proposal to engage in or continue any transaction in which any of these individuals is directly involved (or, to the extent known to them, in which any of their immediate family members or affiliated entities is involved) that potentially could be a Related Person Transaction, and to provide the General Counsel or his designee with information regarding all known material terms and circumstances of such transaction, including but not limited to:

- the Related Person involved and his, her or its relationship to the Company,
- the Related Person’s interest and role in the proposed transaction,

- the proposed terms of the transaction (including aggregate value and value to be derived by the Related Person),
- the benefits to the Company of the proposed transaction,
- if applicable, the availability to the Company of alternative means or transactions to obtain like benefits,
- an assessment of whether the proposed transaction is on terms that are comparable to the terms that would exist in a similar transaction with an unaffiliated third party (or other information bearing on whether the proposed transaction is fair to the Company), and
- an assessment of whether the proposed transaction is consistent with other policies of Time Warner Inc. that also govern the proposed transaction.

Any Company employees with knowledge of the proposed Related Person Transaction and/or interest of the Related Person may also be requested to provide the General Counsel or his designee with information regarding the known material terms and circumstances of such transaction.

The General Counsel or his designee shall then assess whether the proposed transaction is a Related Person Transaction for the purposes of this Policy, and if so, the transaction shall be presented to the Committee for review and consideration at the next Committee meeting or, in those instances in which the General Counsel or his designee determines that it is not practicable or desirable for the Company to wait until the next Committee meeting, to the Chair of the Committee (who will possess delegated authority to act between Committee meetings with respect to certain Related Person Transactions as described above under Paragraph B).

If the General Counsel or his designee potentially may be involved in a Related Person Transaction, such person shall inform the Chief Executive Officer and the Chair of the Committee.

## **F. Excluded Transactions**

The Committee has reviewed the categories of transactions described below and, subject to any exceptions described below, determined that any interest held by a Related Person in any of such transactions would not constitute a direct material interest or an indirect material interest with a potential for improper benefit to the Related Person for the purposes of this Policy. The General Counsel or his designee shall assess whether any proposed transaction is an Excluded Transaction for the purposes of this Policy, in which case, the transaction shall not be required to be presented to the Committee for review and consideration.

1. *Ordinary course transactions with other entities.* A transaction or a series of similar transactions between the Company and another entity with which a Related Person is affiliated, if the transactions occur in the ordinary course of business and are consistent with other transactions in which the Company has engaged with third parties, unless:

- a. the Related Person serves as an executive officer, employee, or beneficial owner of an equity interest of ten percent (10%) or more in the other entity; and
  - b. the transaction or series of similar transactions, in the aggregate, represent more than five percent (5%) of Time Warner Inc.'s consolidated gross revenues for the prior fiscal year or two percent (2%) of the other entity's gross revenues for the prior fiscal year.
2. *Charitable contributions.* A discretionary charitable contribution or a series of discretionary charitable contributions by the Company to an established non-profit entity with which a Related Person is affiliated, if the contributions are consistent with the Company's philanthropic practices, unless:
  - a. the Related Person is an executive officer or director of the non-profit entity, and
  - b. the Company's contributions represent (or are expected to represent), for the most recent fiscal year, more than:
    - (i) the greater of \$100,000 or ten percent (10%) of the individual non-profit entity's annual gross revenues (for entities with gross revenues up to \$10 million per year), or
    - (ii) the greater of \$1 million or two percent (2%) of the individual non-profit entity's annual gross revenues (for entities with gross revenues of more than \$10 million per year), or
    - (iii) the greater of \$1 million or two percent (2%) of the annual gross revenues in the aggregate of all of the Related Person's affiliated non-profit entities that have received charitable contributions by the Company during the current calendar year.
3. *Transactions with Significant Stockholders.* A transaction or a series of similar transactions between the Company and a Significant Stockholder that is a corporation, firm or other entity, if the transactions occur in the ordinary course of business and are consistent with other transactions in which the Company has engaged with third parties, unless the transaction or series of similar transactions, in the aggregate, represent more than five percent (5%) of Time Warner Inc.'s consolidated gross revenues for the prior fiscal year or two percent (2%) of the Significant Stockholder's gross revenues for the prior fiscal year.
4. *Non-employee position with other affiliated entities.* A transaction between the Company and another entity with which a Related Person is affiliated, if the Related Person who is an individual and the Related Person's interest in the transaction is based solely on his or her position as (a) a non-employee director of the other entity or (b) subject to the requirements of Paragraph F.2 above, a non-employee director or trustee, or unpaid volunteer at a non-profit organization.

5. *Executive compensation.* Any compensation paid to an executive officer of Time Warner Inc. if:
  - a. the compensation is required to be reported in the annual report on Form 10-K or the proxy statement of Time Warner Inc. under the compensation disclosure requirements of the Securities and Exchange Commission (the “SEC”); or
  - b. (i) the executive officer is not an “immediate family member” otherwise covered by this Policy and the compensation would be reported in the annual report on Form 10-K or the proxy statement of Time Warner Inc. if the executive officer was a “named executive officer” (as defined under SEC rules) and (ii) the Compensation and Human Development Committee of the Board approved (or recommended that the Board approve) such compensation.
6. *Director compensation.* Any compensation paid to a director of Time Warner Inc. if the compensation is required to be reported in the annual report on Form 10-K or the proxy statement of Time Warner Inc. under the SEC’s compensation disclosure requirements.
7. *Transactions where all stockholders receive proportional benefits.* Any transaction where the Related Person’s interest arises solely from the ownership of Time Warner Inc.’s common stock and all holders of the common stock received the same benefit on a *pro rata* basis (e.g. dividends).
8. *Transactions involving competitive bids.* Any transaction involving a Related Person where the rates or charges involved are determined by competitive bids.
9. *Regulated transactions.* Any transaction with a Related Person involving the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority.
10. *Certain banking-related services.* Any transaction with a Related Person involving services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture, or similar services.
11. *Indemnification Payments.* Any indemnification payments made to a Related Person pursuant to Time Warner Inc.’s By-laws, which are governed by and subject to the provisions in the By-laws.
12. *Other.* Other categories of transactions that may be identified by the Committee from time to time as having no significant potential for an actual or the appearance of a conflict of interest or improper benefit to a Related Person.

**G. Approval of Related Person Transactions**

Except to the extent delegated to the Chair of the Committee pursuant to Paragraph B, Related Person Transactions (other than Excluded Transactions) shall be reviewed and be subject to approval by the Committee. If possible, such approval will be obtained before the Company commences such a transaction or enters into or amends any contract relating to such transaction.

Revised as of February 18, 2010

If advance Committee approval of a Related Person Transaction is not feasible or not identified prior to commencement of the transaction, then the transaction shall be considered and, if the Committee determines it to be appropriate, ratified at the Committee's next regularly scheduled meeting.

The Committee may review such facts and circumstances that it determines to be appropriate with respect to all potential Related Person Transactions that require the Committee's approval, including but not limited to, the information made available pursuant to Paragraph E above. In determining whether to approve or ratify a Related Person Transaction, the Committee may take into account such factors it deems appropriate, which may include:

- the extent of the Related Person's interest in the transaction;
- whether the transaction would interfere with the objectivity and independence of any Related Person's judgment or conduct in fulfilling his or her duties and responsibilities to the Company;
- whether the transaction is fair to the Company and on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances;
- whether the transaction is in the interest of the Company and its stockholders;
- whether the transaction is consistent with any conflicts of interest policies set forth in the Company's Standards of Business Conduct and other policies; and
- whether, in connection with any transaction involving a non-employee director or nominee for director, such transaction would compromise such director's status as: (1) an independent director under the New York Stock Exchange Listing Standards or Time Warner Inc.'s categorical standards for director independence included in its Corporate Governance Policy, (2) an "outside director" under Section 162 (m) of the Internal Revenue Code or a "non-employee director" under Rule 16b-3 under the Securities Exchange Act of 1934 (the "Exchange Act"), if such non-employee director serves on the Compensation and Human Development Committee of the Board, or (3) an independent director under Rule 10A-3 of the Exchange Act, if such non-employee director serves on the Audit and Finance Committee of the Board.

No member of the Committee who potentially is a Related Person in connection with a given Related Person Transaction shall participate in any discussion or approval of the transaction, other than discussions for the purpose of providing material information concerning the transaction to the Committee.

The Committee may impose conditions or guidelines on any approved Related Person Transaction, including, but not limited to: (i) conditions relating to on-going reporting to the Committee and other internal reporting, (ii) limitations on the dollar amount of the transaction, (iii) limitations on the duration of the transaction or the Committee's approval of the transaction, or (iv) other conditions for the protection of the Company and to avoid conferring an improper benefit, or creating the appearance of a conflict of interest.

## **H. Disclosure**

All Related Person Transactions that are required under applicable securities laws, rules and regulations to be disclosed in Time Warner Inc.'s filings with the SEC shall be so disclosed. This Policy shall be posted on the website of Time Warner Inc., and, as required by applicable laws, rules and regulations, the material features of this Policy shall be described in the annual report on Form 10-K or the proxy statement of Time Warner Inc.