

AMENDING

THE COMPANIES ACT 1985

AN UNLIMITED COMPANY WITH A SHARE CAPITAL
REGISTERED NUMBER 2446183

ARTICLES OF ASSOCIATION*
of
NYNEX CABLECOMMS BURY AND ROCHDALE



TABLE A

1. The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended at the date of adoption of these Articles ("Table A") shall, except where the same are excluded or varied by or inconsistent with these Articles, apply to the Company. No regulations (other than those contained in Table A) set out in any statute or statutory instrument concerning companies shall apply as regulations of the Company. Regulations 3, 32, 34 and 35 of Table A shall not apply to these Articles.

INTERPRETATION

2. In these Articles unless the context otherwise requires:

"these Articles" means these Articles of Association in their present form or as from time to time altered;

"the Companies Acts" means every statute from time to time in force concerning companies insofar as the same applies to the Company;

"Member" means a member of the Company;

every reference in Table A to "the Act" shall be construed as if the reference were to the Companies Acts;

any words or expressions defined in the Companies Acts in force at the date when these Articles or any part thereof are adopted shall bear the same meaning in these Articles or such other part (as the case may be); and

where, for any purpose, an ordinary resolution of the Company is required a special or extraordinary resolution shall also be effective and where an extraordinary resolution is required a special resolution shall also be effective.

* These Articles of Association were adopted as new Articles of Association by a second written resolution of the sole member dated 6th October 1993 and amended by a written resolution of the members dated 10th October 1994.

AUTHORISED SHARE CAPITAL

3. The authorised share capital of the Company at the date of the adoption of these Articles is £96,642,002 divided into 2 preference shares of £1 each (the "Preference Shares") and 96,642,000 'A' ordinary shares of £1 each (the "'A' Ordinary Shares").

SHARE RIGHTS

4. The rights attaching to the Preference Shares and the 'A' Ordinary Shares shall be as follows:

(A) Income

In respect of any financial year of the Company the profits of the Company for the time being available for distribution (excluding, for the avoidance of doubt, any sum or sums paid to the Company by way of Capital Contribution which sum or sums shall not be available in that form for distribution under this Article 4(A)) and resolved to be distributed (the "Distributable Profits") shall be distributed:

(i) in priority to any distribution of Distributable Profits to the holders of any other class of shares, to the holders of the Preference Shares as a fixed preferential dividend (the "preferential dividend") at the rate of £409,464 per annum (exclusive of any associated tax credit available to shareholders) such preferential dividend to accrue due on a daily basis until 11th October 2014; and

(ii) after payment of all preferential dividends accrued due, amongst the holders of the Preference Shares and the holders of the 'A' Ordinary Shares on the basis that the holders of the Preference Shares shall together be entitled to 15 per cent. of the Distributable Profits and the holders of the 'A' Ordinary Shares shall together be entitled to 85 per cent. of the Distributable Profits.

Each holder shall be entitled to that proportion of the Distributable Profits available to the class of shares of which it is the holder as is equal to the proportion which the number of shares of that class as is held by that holder bears to the number of shares of that class in issue. *

(B) Capital

On a return of assets on liquidation or otherwise (except upon the redemption or purchase by the Company of any shares) the assets of the Company (remaining after payment of its liabilities) shall be applied:

(i) first, in paying to the holders of the Preference Shares, pro rata to the number of shares held by them, an amount equal to £2; *

* These articles 4(A) and 4(B)(i) were substituted by a written resolution of the members dated 10th October 1994.

(ii) second, and subject to paragraph (i) above, in paying to the holders of the Preference Shares and the 'A' Ordinary Shares an amount equal to the income which would have been distributed to the holders of the Preference Shares and 'A' Ordinary Shares, respectively, on the date of the return of such assets, pursuant to paragraph (A) above, if (a) the full amount available for distribution had been resolved to be distributed on the date of such return of assets and (b) the amount available for distribution included any unrealised increase in value of the assets of the Company; and

(iii) third, and subject to paragraphs (i) and (ii) above, the balance of such assets shall belong to and be distributed amongst the holders of the 'A' Ordinary Shares.

(C) Voting

(i) The holders of the 'A' Ordinary Shares shall have the right to receive notice of and to attend, speak and vote at all general meetings of the Company.

(ii) (a) The holders of the Preference Shares shall have the right to receive notice of and to attend and speak at all general meetings of the Company but shall not, save as set out in paragraph (b) below, have (in that capacity) any right to vote thereat (whether in person or by proxy).

(b) The holders of the Preference Shares shall be entitled to exercise fifty per cent. of all votes exercisable at a general meeting of the Company in respect of any resolution proposed for the purpose of deleting or amending Article 7(B).

CLASS RIGHTS

5. (A) Whenever the capital of the Company is divided into different classes of shares the rights attached to any class of shares may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of the class or with the sanction of an extraordinary resolution passed at a separate meeting of such holders (but not otherwise). All the provisions of these Articles relating to general meetings of the Company shall, mutatis mutandis, apply to every such separate meeting, except that the quorum for any such separate meeting shall be one person holding or representing by proxy at least one-third in nominal value of the issued shares of the class or, at any adjourned meeting, that holder, or those holders, present in person or by proxy, whatever the amount of their holding.

(B) Without prejudice to the generality of paragraph (A) above the rights attached to the Preference Shares shall be deemed to be varied if any deletion or amendment shall be made to this Article 5(B) or:

(i) any change shall be made to the issued share capital of the Company; or

(ii) any deletion or (save as hereinafter provided) amendment shall be made to this paragraph (ii), or to Articles 7 or 26 (or any part thereof); or

(iii) any resolution shall be proposed for a voluntary winding up of the Company other than pursuant to Article 26. *

ALTERATION OF SHARE CAPITAL

6. The Company may by special resolution;

(a) increase the share capital by such sum to be divided into shares of such amount as the resolution may prescribe;

(b) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares;

(c) sub-divide its shares, or any of them, into shares of a smaller amount than its existing shares;

(d) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person; and

(e) reduce its share capital and any share premium account in any way.

TRANSFERS OF SHARES AND REDEMPTION OF PREFERENCE SHARES

7. (A) No transfer of any share shall be registered except (a) a transfer of shares to another Member (b) a transfer of shares to the Company or (c) a transfer in consequence of the death or bankruptcy of a Member, or otherwise by operation of law. The Directors shall decline to register any transfer of a share otherwise than in accordance with the preceding sentence of this Article 7(A). Any person who becomes entitled to any share as a consequence of an event described in item (c) of this Article 7(A) shall not be entitled to receive notice of or to attend and vote at any general meeting of the Company except pursuant to and for the purposes of Article 26 of these Articles.

* This Article 5(B) was substituted by a written resolution of the members dated 10th October 1994.

(B) (i) The Company shall, at any time upon receipt of notice in writing from a holder of Preference Shares requesting the same, redeem, by a reduction of capital, each Preference Share to which the notice relates for an amount equal to the Value (referred to in Article 7(B)(ii) below) divided by the number of Preference Shares in issue on the relevant date (referred to as aforesaid). Such redemption shall, to the extent available, be effected by the Company from available distributable profits and the special resolution adopting this Article 7(B) shall constitute the special resolution authorising the reduction of share capital and, if and in so far as may be necessary, of share premium account required to give effect to any such redemption.

(ii) "Value" means the market value of the Company as at the date of, but immediately prior to, the adoption of the articles of association of the Company adopted by the Company on 6th October 1993 ("the relevant date"). The market value of the Company at the relevant date shall be such value as in the opinion of the auditors from time to time of the Company (or such other firm of accountants as the holders of the 'A' Ordinary Shares shall determine by special resolution passed at a separate meeting of such holders or with the consent in writing of the holders of three-quarters in nominal value of the issued 'A' Ordinary Shares) represents the market value of the Company as between a willing vendor and a willing purchaser. In providing their opinion of the Value the said auditors, or such other firm of accountants as aforesaid, shall act as experts and not as arbitrators and their decision shall (in the absence of manifest error) be final and binding. *

NOTICE OF GENERAL MEETINGS

8. The words "at least seven clear days' notice" shall be substituted for the words "at least fourteen clear days' notice" in Regulation 38 of Table A.

PROCEEDINGS AT GENERAL MEETINGS

9. At any general meeting a poll may be directed by the Chairman of the meeting or adjourned meeting or demanded by any Member present in person or by proxy and Regulation 46 of Table A shall be varied accordingly.

10. Subject to any rights or restrictions for the time being attached to any shares, on a show of hands every Member present in person (being an individual) or by a duly authorised representative (being a corporation) or by proxy (not being himself a Member entitled to vote) shall have one vote and, on a poll, every Member shall have one vote for each share of which he is the holder. Regulation 54 of Table A shall not apply.

* This Article 7(B) was amended by a written resolution of the members dated 10th October 1994.

VOTES OF MEMBERS

11. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the registered office of the Company (or at such other place in the United Kingdom as is specified for that purpose in the notice of meeting or any

instrument of proxy sent by the Company in relation to the meeting) not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or handed to the Chairman of the meeting or adjourned meeting before the commencement of such meeting and, in default, the instrument of proxy shall not be valid. Regulation 62 of Table A shall not apply.

NUMBER OF DIRECTORS

12. The number of Directors (other than duly appointed alternate Directors) shall be not less than two nor more than four.

POWERS OF DIRECTORS

13. The Company may exercise all the powers conferred by the Companies Acts with regard to having any official seal and such powers shall be vested in the Directors. Any instrument to which an official seal is affixed shall be signed by such persons, if any, as the Directors may from time to time determine.

ALTERNATE DIRECTORS

14. An alternate Director may be paid expenses and shall be entitled to be indemnified by the Company to the same extent *mutatis mutandis* as if he were a Director but shall not be entitled to receive from the Company any fee in his capacity as an alternate Director except only such part (if any) of the remuneration otherwise payable to the Director appointing him as such Director may by notice in writing to the Company from time to time direct and Regulation 66 of Table A shall be varied accordingly.

15. It shall be necessary to give notice of all meetings of Directors, and of all meetings of committees of Directors of which an alternate's appointor is a member, to an alternate Director who is absent from the United Kingdom and Regulation 66 of Table A shall be varied accordingly.

DELEGATION OF DIRECTORS' POWERS

16. The Directors may delegate any of their powers to committees consisting of such person or persons (whether Directors or not) as they think fit. The Directors may also entrust to and confer upon any Director any of the powers exercisable by them. Any such delegation may be made upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers, and the Directors may from time to time revoke, withdraw, alter or vary all or any of such powers. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by these Articles regulating the proceedings of Directors so far as they are capable of applying. Regulation 72 of Table A shall not apply.

APPOINTMENT AND RETIREMENT OF DIRECTORS

17. The Directors and the Company by ordinary resolution shall, subject to Article 12 of these Articles, each have power at any time and from time to time to appoint any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall (subject to Regulation 81 of Table A and to the provisions of the Companies Acts) hold office until he is removed pursuant to these Articles.

18. Regulations 73 to 80 (inclusive) and Regulation 81(e) shall not apply.

19. Regulation 84 of Table A shall not apply.

DIRECTORS' INTERESTS

20. Subject to the provisions of these Articles and provided a Director shall have disclosed such interest in accordance with Regulation 85 of Table A, a Director shall be entitled to vote in respect of any transaction, contract, arrangement or agreement with the Company in which he is in any way, whether directly or indirectly, interested and if he shall do so his vote shall be counted and he shall be taken into account in ascertaining whether a quorum is present. For the purposes of this Article an interest of a person who is, for any purpose of the Companies Acts, connected with a Director shall be treated as an interest of the Director and, in relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director has otherwise.

PROCEEDINGS OF DIRECTORS

21. Subject to the provisions of these Articles the Directors may meet for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Meetings may be held in any part of the world. At any time any Director may, and the Secretary on the requisition of a Director shall, summon a meeting of the Directors. Notice of any meeting of the Directors may be given by telephone, facsimile or telex. It shall be necessary to give notice of a meeting of Directors to any Director for the time being absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of equality of votes, the Chairman of the meeting shall have a second or casting vote. A Director who is also an alternate Director shall be entitled, in the absence of his appointor, to a separate vote on behalf of his appointor in addition to his own vote. Regulation 88 of Table A shall not apply.

22. A Director shall be treated as present at a meeting of the Directors if he is in telephonic communication with the meeting. The quorum necessary for the transaction of the business of the Directors may be fixed from time to time by the Directors and, unless so fixed at any other number, shall be two. A person who holds office only as an alternate Director shall, if his appointor is not present, be counted in the quorum. Regulation 89 of Table A shall not apply. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors. Regulations 94 to 98 of Table A shall not apply.

ACCOUNTS

23. The Members shall be entitled to inspect any accounting records or other book or document of the Company, upon reasonable notice to the Company and during normal business hours. The Members shall not be entitled to inspect any document reasonably considered by the Directors to be confidential to the Company. Regulation 109 of Table A shall not apply.

NOTICES

24. Any notice or other document (including a share certificate) may be served on or delivered to any Member by the Company either personally or by sending it through the post in a prepaid letter addressed to such Member at his registered address as appearing in the Register of Members, or by delivering it to or leaving it at such registered address, addressed as aforesaid, or by any other means provided such other means have been authorised in writing by the Member concerned. In the case of joint holders of a share, service or delivery of any notice or other document on or to one of the joint holders shall, for all purposes, be deemed a sufficient service on or delivery to all the joint holders. Any notice or other document served or delivered in accordance with these Articles shall be deemed duly served or delivered notwithstanding that the Member is then dead or bankrupt or otherwise under any legal disability or incapacity and whether or not the Company had notice thereof. Any such notice or other document, if sent by first-class post, shall be deemed to have been served or delivered on the day after the day when the same was put in the post and, in proving such service or delivery, it shall be sufficient to prove that the notice or document was properly addressed, stamped and put in the post.

25. Notice of every general meeting shall be given in any manner authorised by or under these Articles to all Members other than such as, under the provisions of these Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, provided that any Member may in writing waive notice of any meeting either prospectively or retrospectively and if he shall do so it shall be no objection to the validity of such meeting that notice was not given to him. Regulations 112, 115 and 116 of Table A shall not apply.

WINDING UP

26. If any of the following events shall occur:

(a) NYNEX CableComms Manchester Limited (Company number 2511868) or NYNEX WSG 1 Company or NYNEX WSG North, L.P. ceases (after first becoming a Member) to be a Member; or

(b) NYNEX CableComms Manchester Limited or NYNEX WSG 1 Company or NYNEX WSG North, L.P. takes (after first becoming a Member) any action or any legal proceedings are started or other steps are taken for:

(i) the winding-up or dissolution of NYNEX CableComms Manchester Limited or NYNEX WSG 1 Company or NYNEX WSG North, L.P. while such company or, as appropriate, NYNEX WSG North, L.P., is a Member (except for the purposes of a bona fide reconstruction or amalgamation); or

- (11) the appointment of a liquidator, trustee, receiver, administrative receiver or similar officer of NYNEX CableComms Manchester Limited or NYNEX WSG 1 Company or of NYNEX WSG North, L.P. while any of them is a Member or over the whole or any part of the assets or undertakings of such company or of NYNEX WSG North, L.P. while any of them is a Member;

then the Directors of the Company shall (unless they have previously been released from their obligations to do so by a special resolution of the Company) as soon as possible after the event has occurred convene an extraordinary general meeting of the Company at which an ordinary resolution will be proposed pursuant to section 84 of the Insolvency Act 1986 to wind the Company up voluntarily. At such extraordinary general meeting every shareholder present in person or by proxy and entitled to vote shall vote in favour of such resolution and any votes purported to be cast against such resolution shall not be counted as valid votes.

INDEMNITY

27. Subject to the provisions of the Companies Acts the Company may purchase and maintain for every Director, alternate Director, Auditor, Secretary or other officer of the Company insurance against any liability which, by virtue of any rule of law, would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company and every such person shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings, civil or criminal, that relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted by the Court. Regulation 118 of Table A shall not apply.