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* insert full name
of Company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

a/c.

395

A fee of £10 is payable to Companies House in respect
of each register entry for a mortgage or charge.

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number

[] [] [] [] [] [] [] [] [] []

2466511

Name of company

* CABLE ENFIELD LIMITED (the "Company")

Date of creation of the charge

16 FEBRUARY 2000

Description of the instrument (if any) creating or evidencing the charge (note 2)

A Supplemental Deed made between the New Subsidiaries (1), TCN (2), the Subsidiaries of TCN (3), the Associated Partnerships (4), CIBC World Markets plc as Agent (5), CIBC World Markets plc as Security Trustee (6) and Telewest Communications plc (7) (the "Cable London Supplemental Deed")

Amount secured by the mortgage or charge

Pursuant to the Cable London Supplemental Deed, by clause 2.1 of the Debenture the Company:

(a) covenants that it will on demand made on it by the Security Trustee pay to the Security Trustee for the account of the relevant Beneficiary all moneys and discharge all obligations and liabilities whether actual or contingent now or hereafter due, owing or incurred to the Agent, the Security Trustee, the Arrangers, the Banks (or any of them) by it under or pursuant to the Agreement and/or the Debenture and/or the Security Trust Deed and/or any of the other Security Documents;

see continuation sheet no. 1 page 2

Names and addresses of the mortgagees or persons entitled to the charge

CIBC WOOD GUNDY PLC in its capacity as security trustee (the "Security Trustee") of Cottons Centre, Cottons Lane, London

Postcode SE1 2QL

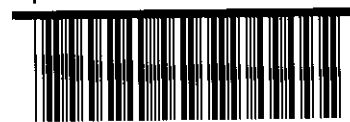
Presentor's name address and
reference (if any):

Norton Rose
Kempson House
Camomile Street
London
EC3A 7AN

Time critical reference

For official Use
Mortgage Section

Post room



LD2
COMPANIES HOUSE

0162
28/02/00

KLO
COMPANIES HOUSE

0383
22/02/00

Short particulars of all the property mortgaged or charged

By clause 3.1 of the Debenture the Company as beneficial owner charges to the Security Trustee by way of first fixed charge (and, as regards all those parts of the freehold and leasehold property now vested in the Company, by way of legal mortgage) as a continuing security for the payment and discharge of the Secured Obligations, the following assets, both present and future, from time to time owned by the Company or in which the Company may from time to time have an interest:

see continuation sheet no. 1 page 4

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Particulars as to commission allowance or discount (note 3)

Nil

Signed

Nelson Rose

Date

21.02.2000

On behalf of [company] [mortgagee/chargee] †

A fee of £10 is
payable to
Companies House
in respect of each
register entry for a
mortgage or
charge.
(See Note 5)

† delete as
appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 Cheques and Postal Orders are to be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is:-

Companies House, Crown Way, Cardiff CF4 3UZ

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(b)covenants that it will on demand made on it by the Security Trustee pay to the Security Trustee for the account of the Interest Rate Beneficiaries all moneys and discharge all obligations and liabilities whether actual or contingent now or hereafter due, owing or incurred to the Interest Rate Beneficiaries (or any of them) by it in respect of the Interest Rate Protection Arrangements;

(c)covenants that it will on demand made on it by the Security Trustee pay to the Security Trustee for the account of the Bond Providers all moneys and discharge all obligations and liabilities whether actual or contingent now or hereafter due, owing or incurred to the Bond Providers, if any, (or any of them) by it in respect of any Indemnity from it issued in connection with the Bond Provision Arrangements;

(d)guarantees that it will on demand made on it by the Security Trustee pay to the Security Trustee for the account of the relevant Beneficiaries all moneys and discharge all obligations and liabilities whether actual or contingent now or hereafter due, owing or incurred to the Agent, the Arrangers, the Security Trustee, the Banks (or any of them) by TCN under or pursuant to the Agreement and/or the Debenture and/or the Security Trust Deed and/or any of the other Security Documents;

(e)guarantees that it will on demand made on it by the Security Trustee pay to the Security Trustee for the account of the Interest Rate Beneficiaries all moneys and discharge all obligations and liabilities whether actual or contingent, now or hereafter due, owing or incurred to the Interest Rate Beneficiaries (or any of them) by any other Chargor in respect of the Interest Rate Protection Arrangements; and

(f)guarantees that it will on demand made on it by the Security Trustee pay to the Security Trustee for the account of the Bond Providers (if any) all moneys and discharge all obligations and liabilities whether actual or contingent now or hereafter due, owing or incurred to the Bond Providers (or any of them) by any other Chargor in respect of any Indemnity from such Chargor issued in connection with the Bond Provision Arrangements,

in each case when the same become due for payment or discharge whether by acceleration or otherwise, and whether such moneys, obligations and liabilities are express or implied; present, future or contingent; joint or several; incurred as principal or surety; denominated in Sterling or in any other currency; or incurred on any banking account or in any other manner whatsoever together with commission, fees and other charges and all legal and other costs charges and expenses on a full indemnity basis which may be properly incurred by the Beneficiaries or any of them or the Security Trustee in relation to any such moneys, obligations or liabilities or generally in respect of such Chargor.

see continuation sheet no. 2 page 2

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(a) Properties: subject only to the Prior Charges, all freehold, leasehold and heritable property of the Company (including, without limitation, the properties specified in schedule 6 of the Debenture) and all liens, charges, options, agreements, rights and interests in or over land or the proceeds of sale of land and all buildings, fixtures (including trade fixtures) and fixed plant and machinery from time to time on such property or land together with all rights, easements and privileges appurtenant to, or benefitting, the same (save that, in the case of any rights granted to the Company by virtue of the Telecommunications Code incorporated in schedule 2 of the Telecommunications Act 1984, such charge shall be deemed only to be effective to the extent not prohibited by such Act or any regulation made thereunder);

(b) Plant and machinery: all plant, machinery, vehicles, computers and office and other equipment and the benefit of all contracts and warranties relating to the same to the extent that the terms of any such agreements do not prohibit the granting of such a charge, security interest or first lien;

(c) Securities: all stocks, shares, bonds and securities of any kind whatsoever whether marketable or otherwise and all other interests (including but not limited to loan capital) of the Company in any person, including all allotments, rights, benefits and advantages whatsoever at any time accruing, offered or arising in respect of or incidental to the same and all money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, option, dividend, distribution, interest or otherwise in respect thereof;

(d) Debts: the Earnings due to it and all book and other debts, revenues and claims, whether actual or contingent, whether arising under contracts or in any other manner whatsoever and whether originally owing to the Company or purchased or otherwise acquired by it including, without limitation, any amount from time to time standing to the credit of any Earnings Account of the Company or of the Company jointly with the other Chargors, any bank or any other account of the Company with the Security Trustee, any of the Banks or with any other person and all things in action which may give rise to any debt, revenue or claim, together with the full benefit of any Encumbrances, Collateral Instruments and any other rights relating thereto including, without limitation, reservations of proprietary rights, rights of tracing and unpaid vendor's liens and associated rights;

(e) Goodwill and uncalled capital: all goodwill and uncalled capital;

(f) Intellectual Property Rights: all patents, patent applications, trade marks and service marks (whether registered or not), trade mark applications, service mark applications, trade names, registered designs, design rights, copyrights, computer programmes, knowhow and trade secrets and all other industrial or intangible property or rights and all licences, agreements and ancillary and connected rights relating to intellectual and intangible property; and

see continuation sheet no. 2 page 4

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By clause 2.2 of the Debenture, as a separate and independent stipulation, the Company agrees that if any purported obligation or liability of any Chargor which would have been the subject of the Guarantee had it been valid and enforceable is not or ceases to be valid or enforceable against such Chargor on any ground whatsoever whether or not known to any of the Beneficiaries or the Security Trustee (including, without limitation, any irregular exercise or absence of any corporate power or lack of authority of, or breach of duty by, any person purporting to act on behalf of such Chargor or any legal or other limitation, any disability or Incapacity or any change in the constitution of such Chargor) the Company shall nevertheless, along with the other Chargors, be jointly and severally liable to the relevant Beneficiaries in respect of that purported obligation or liability as if the same were fully valid and enforceable and the Company was the principal debtor in respect thereof. The Company and the other Chargors hereby jointly and severally agree to keep the Security Trustee and the Beneficiaries fully indemnified on demand against all damages, losses, costs and expenses arising from any failure of a Chargor to perform or discharge any such purported obligation or liability.

By clause 2.5 of the Debenture the company agrees to pay interest on each amount duly demanded of it under the Debenture from the date of such demand until payment (after as well as before judgment) at the default rate. Such interest shall be compounded monthly in the event of it not being paid when demanded but without prejudice to the Security Trustee's rights to require payment of such interest.

Clause 2.7 of the Debenture provides that if at any time the Company is required to make any deduction or withholding in respect of Taxes from any payment due under the Debenture for the account of any Beneficiary or the Security Trustee (or if the Security Trustee is required to make any such deduction or withholding from a payment to any Beneficiary), the sum due from that Chargor in respect of such payment shall, subject to clause 2.8 of the Debenture, be increased to the extent necessary to ensure that, after the making of such deduction or withholding, each Beneficiary and the Security Trustee receives on the due date for such payment (and retains, free from any liability in respect of such deduction or withholding) a net sum equal to the sum which it would have received had no such deduction or withholding been required to be made and the Company shall indemnify each Beneficiary and the Security Trustee against any losses or costs incurred by any of them by reason of any failure of the Company to make any such deduction or withholding or by reason of any increased payment not being made on the due date for such payment. The Company shall promptly deliver to the Security Trustee any receipts, certificates or other proof evidencing the amounts (if any) paid or payable in respect of any deduction or withholding as aforesaid.

Clause 2.8 of the Debenture provides that each Bank agrees promptly to notify the Company if it is not or it ceases to be a Qualifying Bank. If any Bank is not or ceases to be a Qualifying Bank, then (save in circumstances where all the Banks have ceased to be Qualifying Banks (i) by reason of any change in law or in its application or interpretation, in each case taking effect after the date of the Agreement and (ii) otherwise than by reason of their no longer being entitled to the benefit of a double tax treaty) the Company shall not be liable to pay to that Bank or to the Security Trustee for the account of such Bank under clause 2.7 any sum in excess of the sum they would have been obliged to pay if that Bank had been, or had not ceased to be, a Qualifying Bank.

By clause 5.1(j) of the Debenture the Company undertakes with the Security Trustee that during the continuance of the security the Company will punctually pay, or cause to be paid (unless the same is being contested,

see continuation sheet no. 3 page 2

(g) Licences and Necessary Authorisations: to the extent that the same may be the subject of security, the benefit of the Licences and all Necessary Authorisations granted to the Company at any relevant time and the right to recover and receive all compensation which may at any time become payable in respect thereof,

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Provided that, unless and until TCN has obtained the relevant consents of The Mayor and Burgesses of the London Borough of Haringey, TCN's property and/or rights under the leases referred to in the definition of "Prior Charges" in clause 1.1 of the Debenture shall not be subject to a legal mortgage pursuant to clause 3.1(a) of the Debenture if and to the extent that the terms of the relevant lease prohibit without the consent of The Mayor and Burgesses of the London Borough of Haringey the creation of a legal mortgage over such lease. TCN shall use its best endeavours to obtain as soon as possible the consent of The Mayor and Burgesses of the London Borough of Haringey (to the extent required) to the creation of legal mortgages in favour of the Security Trustee over such leases and shall, promptly following receipt thereof, provide the Security Trustee with evidence of such consent. On each such consent being obtained or, if earlier, the payment in full of the Indebtedness secured by the Prior Charges, the relevant lease shall thereupon automatically become subject to the charge pursuant to clause 3.1(a) of the Debenture and TCN shall, if required by the Security Trustee, promptly enter into a supplemental legal mortgage in favour of the Security Trustee in respect of such lease in such form and substance as the Security Trustee may reasonably require and shall provide the Security Trustee with such evidence as it may reasonably request as to the power and authority of the Borrower to enter into such supplemental legal mortgage and that such supplemental legal mortgage constitutes valid and legally binding obligations of TCN enforceable, subject to any qualifications of a substantially similar nature to those contained in the legal opinions referred to in the Agreement, in accordance with its terms.

By clause 3.2 of the Debenture the Company as beneficial owner assigns and charges (by way of first fixed charge) to the Security Trustee (but, save as provided in clause 13.4 of the Debenture, subject to redemption upon payment and discharge of the Secured Obligations) all its right, title, benefit and interest whatsoever present and future in and to all sums from time to time credited to or standing to the credit of any Earnings Account of the Company or of the Company jointly with the other Chargors together with all interest earned thereon (whether or not credited to such Earnings Account) or arising out of or in respect of such Earnings Account as a continuing security for the payment and discharge of the Secured Obligations.

By clause 3.3 of the Debenture the Company as beneficial owner assigns and charges (by way of first fixed charge) to the Security Trustee (but, save as provided in clause 13.4 of the Debenture, subject to redemption upon payment and discharge of the Secured Obligations) all its right, title, benefit and interest whatsoever present and future in and under (i) the Principal Agreements to which the Company is a party to the extent that the terms of the Principal Agreements do not prohibit the granting of such a charge, assignment, security interest or first lien, (ii) any other agreements relating to the installation, construction and operation of the Cable System to

see continuation sheet no. 3 page 4

in good faith and by appropriate means by the Company), and indemnify the Security Trustee and any Receiver (on a several basis) against, all present and future rent, rates, taxes, duties, charges, assessments, impositions and outgoings whatsoever (whether imposed by agreement, statute or otherwise) now or at any time during the continuance of this security payable in respect of the Properties or any part thereof or by the owner or occupier thereof.

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Clause 5.2 of the Debenture provides that if the Company at any time defaults in complying with any of its obligations contained in the Debenture, the Security Trustee shall, without prejudice to any other rights of the Security Trustee arising as a consequence of such default, be entitled (but not bound) to make good such default and the Company irrevocably authorises the Security Trustee and its employees and agents by way of security to do all such things (including, without limitation, entering the Company's property having given such notice as is reasonable in the circumstances) necessary or desirable in connection therewith. Any moneys so expended by the Security Trustee shall be repayable by the Company to the Security Trustee within 30 days of demand together with interest at a default rate from the date being 30 days after the date of demand until such repayment, both before and after judgment.

Clause 10.3 of the Debenture provides that the Beneficiaries, the Security Trustee and any Receiver, attorney, agent or other person appointed by the Security Trustee under the Debenture and the Security Trustee's officers and employees (each an "Indemnified Party") shall be entitled to be indemnified out of the Charged Assets in respect of all costs, losses, actions, claims, expenses, demands or liabilities whether in contract, tort, delict or otherwise and whether arising at common law, in equity or by statute which may be incurred by, or made against, any of them (or by or against any manager, agent, officer or employee for whose liability act or omission any of them may be answerable) at any time relating to or arising directly or indirectly out of or as a consequence of:

- (a) anything done or omitted in the exercise or purported exercise of the powers contained in the Debenture; or
- (b) any breach by a Chargor of any of its obligations under the Debenture; or
- (c) an Environmental Claim made or asserted against an Indemnified Party which would not have arisen if the Debenture had not been executed and which was not caused by the negligence or wilful default of the relevant Indemnified Party,

except in the case of fraud, wilful misconduct or gross negligence on the part of an Indemnified Party.

Clause 15.2 of the Debenture provides that no payment to the Security Trustee (whether under any judgment or court order or otherwise) shall discharge the obligation or liability of any Chargor in respect of which it was made unless and until the Security Trustee shall have received payment in full in the currency in which such obligation or liability was incurred. To the extent that the amount of any such payment shall on actual conversion into such currency fall short of such obligation or liability expressed in that currency the Security Trustee shall have a further separate cause of action against such Chargor and shall be entitled to enforce the charges created by the Debenture to recover the amount of the shortfall.

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which the Company is a party to the extent that the terms of any such agreements do not prohibit the granting of such a charge, assignment, security interest or first lien and (iii) the Licences and any Necessary Authorisations granted to or in which the Company has an interest at any relevant time or is a party to the extent that the terms of the Licences and the necessary Authorisations (as the case may be) do not prohibit the granting of such a charge, assignment, security interest or first lien as a continuing security for the payment and discharge of the Secured Obligations.

By clause 3.4 of the Debenture the Company assigns and charges (by way of first fixed charge) to the Security Trustee (but, save as provided in clause 13.4 of the Debenture, subject to redemption upon payment or discharge of the Secured Obligations) with full title guarantee all its rights, title, benefit and interest whatsoever present and future to all monies from time to time payable to the Company under or pursuant to the Insurances including, without limitation, the refund of premiums as a continuing security for the payment and discharge of the Secured Obligations.

By clause 3.5 of the Debenture the Company assigns and charges (by way of first fixed charge) to the Security Trustee (but, save as provided in clause 13.4 of the Debenture, subject to redemption upon payment or discharge of the Secured Obligations and there no longer being any obligation on any Beneficiary to make any of the Secured Obligations available) all its right, title, benefit and interest whatsoever present and future in and to the Swap Agreements as a continuing security for the payment and discharge of the Secured Obligations.

By clause 3.6 of the Debenture the Company with full title guarantee hereby charges to the Security Trustee by way of first floating charge as a continuing security for the payment and discharge of the Secured Obligations its undertaking and all its property, assets and rights whatsoever and wheresoever both present and future and, if and in so far as the charges thereon or on any part thereof contained in clauses 3.1, 3.2, 3.3, 3.4 and 3.5 of the Debenture shall for any reason be ineffective as fixed charges, the assets referred to in clauses 3.1, 3.2, 3.3, 3.4 and 3.5.

By clause 3.7 of the Debenture the Company undertakes with the Security Trustee and each of the other Beneficiaries from the date of the Debenture ; and so long as any monies are owing under the Debenture or the Agreement that, save as otherwise provided by the Debenture, without the prior consent in writing of the Security Trustee:

(a) it will not dispose of the Debts or any part thereof or release, set off or compound or deal with the same otherwise than in accordance with clause . of the Debenture or as otherwise expressly permitted under the Agreement;

(b) it will not permit any Encumbrance by the Company to subsist, arise or be created or extended over all or any part of the Charged Assets to secure or prefer any present or future Indebtedness of the Company, any of its Subsidiaries or any other person other than those permitted pursuant to clause 12.1(a) of the Agreement; or

see continuation sheet no. 4 page 4

Clause 16.1 of the Debenture provides that the Company and the Security Trustee acknowledge that the covenants of the Company contained in the Deed and the security and other rights, titles and interests constituted by the Debenture and the Charged Assets and all other moneys, property and assets paid to the Security Trustee or held by the Security Trustee or received or recovered by the Security Trustee pursuant to or in connection with the Deed are held by the Security Trustee subject to and on the terms of the trusts declared in the Security Trust Deed.

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(c) it will not dispose of or cease to exercise control over the whole or any part of the Charged Assets whether by one or a series of transactions related or not other than as permitted pursuant to clause 12.1(c) of the Agreement or, in the case of any Principal Agreement, in any manner which would constitute an Event of Default pursuant to clause 14.1(p) of the Agreement,

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Provided that the Company shall, until an Event of Default has occurred and is continuing and the Security Trustee shall have notified the Company that moneys may no longer be withdrawn from the relevant Earnings Accounts, be entitled to withdraw, deal with or dispose of the moneys which at the relevant time are standing to the credit of or are credited to the Earnings Accounts of the Company or of the Company jointly with the other Chargors for the purpose of paying or discharging (i) any costs, charges and expenses properly incurred by the Company in carrying on the business of constructing, installing and operating the Cable System and any business which is directly related to providing cable television and telecommunications systems by means of the Cable System and (ii) any payment which falls within the definition of "permitted payments" in the Agreement.

By clause 3.8 of the Debenture notwithstanding anything expressed or implied in the Debenture, if any Chargor creates or attempts to create any Encumbrance over all or any of the Floating Charge Assets without the prior consent in writing of the Security Trustee or otherwise as permitted by the Agreement or if any person levies or attempts to levy any distress, execution, sequestration or other process against any of the Charged Assets or does or attempts to do any diligence in execution against any of the Floating Charge Assets, the floating charge created by clause 3.6 of the Debenture over the property or asset concerned shall thereupon automatically without notice be converted into a fixed charge.

By clause 3.9 of the Debenture notwithstanding anything expressed or implied in the Debenture, the Security Trustee shall be entitled at any time by giving notice in writing to that effect to the relevant Chargor to convert the floating charge over all or any part of the Floating Charge Assets into a fixed charge as regards the assets specified in such notice being assets which the Security Trustee reasonably considers may be in danger of being seized or sold under or pursuant to any form of distress of execution or may otherwise be in jeopardy.

By clause 3.10 of the Debenture if any Beneficiary receives notice of any subsequent Encumbrance affecting the Charged Assets or any part thereof, such Beneficiary may open a new account for the Chargor concerned but if it does not do so then unless such Beneficiary gives express written notice to the contrary to the Chargor concerned it shall nevertheless be treated as if it had opened a new account at the time when it received such notice and as from that time all payments made by or on behalf of the Chargor concerned to such Beneficiary shall be credited or be treated as having been credited to the new account and shall not operate to reduce the amount due from that Chargor to such Beneficiary at the time when it received such notice.

By clause 3.11 of the Debenture the Prior Charges shall rank in priority to the charges created by the Debenture.

By clause 3.13 of the Debenture the Company irrevocably and unconditionally agrees that at any time after the Enforcement Date if there shall from time to time be any credit balance on any of its accounts with any of the Beneficiaries, such Beneficiary shall have the absolute right to refuse to permit such credit balance to be utilised or withdrawn by the Company whether in whole or in part if and to the extent that at that time there are outstanding any of the Secured Obligations.

see continuation sheet no. 5 page 4

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By clause 4.1 of the Debenture the Company agrees that after the occurrence of an Event of Default which is continuing the Security Trustee and/or each of the other Beneficiaries may at any time without notice, notwithstanding any settlement of account or other matter whatsoever, combine or consolidate all or any of its then existing accounts wheresoever situate (including accounts in the name of the Security Trustee, such Beneficiary or of the Company jointly with others), whether such accounts are current, deposit, loan or of any other nature whatsoever, whether they are subject to notice or not and whether they are denominated in Sterling or in any other currency, and set-off or transfer any sum standing to the credit of any one or more such accounts in or towards satisfaction of the Secured Obligations owed to such Beneficiary which, to the extent not then payable, shall automatically become payable to the extent necessary to effect such set-off.

Clause 5.1(a) of the Debenture contains an undertaking by the Company that during the continuance of the security the Company will pay the Earnings due to it into the relevant Earnings Accounts and otherwise collect its Debts in the ordinary course of its business in a proper and efficient manner and either, prior to the occurrence of an Event of Default, pay into the Earnings Accounts or, after the occurrence of an Event of Default, pay into its account with the Security Trustee or such other account as the Security Trustee may from time to time specify all moneys which it may receive in respect of the Debts forthwith on receipt and, save in the ordinary course of business, not, without the prior written consent of the Security Trustee, seek to compromise, compound, vary, discharge, postpone or release any of the Debts or waive its right of action in connection therewith or do or omit to do anything which may delay or prejudice the full recovery thereof;

By clause 5.1(k) of the Debenture the Company undertakes with the Security Trustee that during the continuance of the security created by the Debenture the Company without prejudice to the generality of clause 3.7 of the Debenture, not without the prior consent in writing of the Security Trustee grant any lease, dispose of, part with possession or share occupation of the whole or any part of any of the Properties or confer any licence, right or interest to occupy or grant any licence or permission to assign, underlet or part with possession of the same or any part thereof or permit any person:

(i) to be registered (jointly with such Chargor or otherwise) as proprietor under the Land Registration Acts of any of the Properties nor create or permit to arise any overriding interest affecting the same within the definition in those Acts; or

(ii) to become entitled to any right, easement, covenant, interest or other title encumbrance which might adversely affect the value or marketability of any of the Properties,

save in any case as permitted under clause 12.1(c) of the Agreement.

By clause 5.1(k) of the Debenture the Company undertakes with the Security Trustee that during the continuance of the security created by the Debenture, the Company will not without the prior consent in writing of the Security Trustee vary, surrender, cancel or dispose of, or permit to be forfeit, (i) any leasehold interest in any of the Properties or (ii) any credit sale, hire purchase, leasing, rental, licence or like agreement for any equipment used in its business save (in the case of either (i) or (ii) above) as permitted pursuant to the terms of the Agreement or the Debenture;

see continuation sheet no. 6 page 4

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Clause 6.1 of the Debenture contains a covenant by the Company that if at any time if and when required by the Security Trustee execute such further Encumbrances and assurances in favour of the Security Trustee and/or the Beneficiaries and do all such acts and things as the Security Trustee shall from time to time reasonably require over or in relation to all or any of the Charged Assets to secure the Secured Obligations or to perfect or protect the security intended to be created by the Debenture over the Charged Assets or any part thereof or to facilitate the realisation of the same.

Clause 6.2 of the Debenture provides that such further Encumbrances and assurances shall be prepared by or on behalf of the Security Trustee at the expense of TCN and shall contain (a) an immediate power of sale without notice, (b) a clause excluding section 93 Law of Property Act 1925 and the restrictions contained in section 103 Law of Property Act 1925 and (c) such other clauses for the benefit of the Beneficiaries as the Security Trustee may reasonably require.

By clause 6.3 of the Debenture the Company covenants with the Security Trustee (i) forthwith following the entering into of the Debenture to give notice in the form set out in the Debenture to each relevant Earnings Bank of the assignment and charge of all sums from time to time credited to or standing to the credit of each relevant Earnings Account herein contained and will use its reasonable endeavours to procure that each relevant Earnings Bank acknowledges receipt of such notice in the manner therein provided, (ii) forthwith following the later of the entering into of the Debenture or the Company acquiring an interest under a contract or policy of insurance (other than a life policy) to give notice in the form set out in the Debenture to the relevant insurer of the assignment and charge of the Insurances contained therein and will use its reasonable endeavours to procure that such insurer acknowledges receipt of such notice in the manner therein provided and (iii) after the occurrence of an Event of Default and so long as the same is continuing if and when required by the Security Trustee to give notice in a form acceptable to the Security Trustee to such persons as the Security Trustee may require of the assignment of all or any part of the Charged Assets contained in the Deed or made pursuant to clause 6.1 of the Debenture.

Clause 6.4 of the Debenture provides that the Company shall, if and when required by the Security Trustee acting on the instructions of the Majority Banks at any time after the Enforcement Date, execute such assignments in favour of the Security Trustee and/or the Beneficiaries of all or any its rights and benefits under the Principal Agreements, Licences and the Necessary Authorisations and do all such acts and things in relation to the Principal Agreements, Licences and the Necessary Authorisations (including, but not limited to, the giving of any notices to any party to a Principal Agreement) as the Security Trustee (acting on the instructions of the Majority Banks) may require.

Clause 9 of the Debenture provides that with the exception of those moneys (i) which relate to a particular claim and do not exceed £500,000 (ii) are paid under third party liability insurance to the relevant third party, or (iii) which relate to (a) Insurances taken out by any relevant landlord or superior landlord referred to in clause 5.1(i)(i)(B) of the Debenture, (b) Insurances of leasehold property or leasehold equipment in cases where either the relevant lessor is named as loss payee or naming the Security Trustee as loss payee would be contrary to the terms of the lease, and (c) Insurances in favour of lenders to any member of the Group where the relevant borrowing is (i) Permitted Borrowing and (ii) either a Finance Lease or secured by a Permitted Encumbrance and (iii) either the relevant lender is named as loss payee or naming the Security Trustee would be contrary to the terms of the relevant borrowing) all moneys receivable by virtue of any of the Insurances shall be paid to the (see continuation sheet no. 6 page 4)

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Security Trustee (or if not paid by the insurers directly to the Security Trustee shall be held on trust for the Security Trustee) and shall, at the option of the Security Trustee, be (i) applied in replacing, restoring or reinstating the property or assets destroyed, damaged or lost (any deficiency being made good by the Chargor which owned the same) or (ii) (except where the Chargor concerned is obligated (as landlord or tenant) to lay out such moneys under any lease of any of the Charged Assets) credited (for a period not exceeding 30 days at the end of which period such moneys shall, at the option of the Security Trustee, be applied in accordance with either (i) above or (iii) below) to an account charged to the Security Trustee (on behalf of the Beneficiaries) in a manner acceptable to the Security Trustee and at the cost of the Chargor concerned as a continuing security for the payment and discharge of the Secured Obligations or (iii) (except where the Chargor concerned is obliged (as landlord, tenant, lessor or lessee) to lay out such insurance moneys under the provisions of any lease of any of the Charged Assets) applied in reduction of the Secured Obligations. Without prejudice to the foregoing provisions of this clause 9 of the Deed the Security Trustee agrees to negotiate with the Chargor concerned in good faith as to the application of any insurance proceeds paid to or held on trust for the Security Trustee.

By clause 11.1 of the Debenture provides that, if (and only if) (i) an Event of Default shall have occurred and (ii) the Agent shall have given a notice under clause 14.2 of the Agreement, then the Secured Obligations shall be immediately due and payable and the Debenture shall become enforceable. Section 103 Law of Property Act 1925 shall not apply in respect of any Charged Assets.

Clause 11.3 of the Debenture provides that no purchaser or other person shall be bound or concerned to see or enquire whether the right of the Security Trustee or any Receiver to exercise any of the powers conferred by the Debenture has arisen or not or be concerned with notice to the contrary or with the propriety of the exercise or purported exercise of such powers.

Clause 13.1 of the Debenture provides that the Debenture and the obligations of each Chargor under the Debenture shall:

(a) secure the ultimate balance from time to time owing to the Beneficiaries and/or the Security Trustee by each Chargor notwithstanding the dissolution, bankruptcy, liquidation or other Incapacity or any change in the constitution of such Chargor or in the name or style thereof and shall be a continuing security notwithstanding any settlement of account or other matter whatsoever;

(b) be in addition to, and shall not merge with or otherwise prejudice or affect, any present or future Collateral Instrument, Encumbrance, right or remedy held by or available to the Beneficiaries or any of them and/or the Security Trustee and may be enforced notwithstanding the same; and

(c) not merge with or be in any way prejudiced or affected by the existence of any such Collateral Instruments, Encumbrance, rights or remedies or by the same being or becoming wholly or in part void, voidable or unenforceable on any ground whatsoever or by the Beneficiaries or any of them and/or the Security Trustee dealing with, exchanging, releasing, varying or failing to perfect or enforce any of the same, or giving time for payment or indulgence or compounding with any other person liable.

see continuation sheet no. 7 page 4

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Clause 13.4 of the Debenture provides that any release, discharge or settlement between one or more of the Chargors and the Security Trustee or any of the Beneficiaries shall be conditional upon no security, disposition or payment to the Security Trustee or any of the Beneficiaries by any of the Chargors or any other person being void, set aside or ordered to be refunded pursuant to any enactment or law relating to bankruptcy, liquidation, administration or insolvency or for any other reason whatsoever and if such condition shall not be fulfilled the Security Trustee and the Beneficiaries shall be entitled to enforce the Deed subsequently as if such release, discharge or settlement had not occurred and any such payment had not been made. The Security Trustee shall be entitled to retain this security after as well as before the payment, discharge or satisfaction of all moneys, obligations and liabilities that are or may become due owing or incurred to the Security Trustee and the Beneficiaries from any Chargor for such period as the Security Trustee may reasonably determine.

Clause 17.7 of the Debenture provides that the Debenture shall remain binding on the Company notwithstanding any change in the constitution of the Security Trustee or any Beneficiary or the absorption of the Security Trustee or any Beneficiary in, or amalgamation with, or the acquisition of all or part of its undertaking by, any other person, or any reconstruction or reorganisation of any kind. The security granted by the Debenture shall remain valid and effective in all respects in favour of the Security Trustee (and any successor Security Trustee appointed pursuant to the terms of the Security Trust Deed and their respective successors in title) as trustee for the Beneficiaries and any assignee, transferee or other successor in title of a Beneficiary.

By clause 12.1(c) of the Agreement the Security Obligors jointly and severally undertake with each of the Banks, each of the Arrangers, the Security Trustee and the Agent from the date of the Agreement and so long as any monies are owing under the Agreement or any of the Commitments remain outstanding that, without the prior written consent of the Agent acting on the instructions of the Majority Banks they will procure that no member of the Group sells, transfers, leases, lends or otherwise disposes of or ceases to exercise control over the whole or any part of their present or future undertakings, assets, rights or revenues whether by one or a series of transactions related or not other than permitted disposals.

Clause 14.2 of the Agreement provides that at any time after the happening of any Event of Default, so long as the same is continuing, the Agent may, and if so requested by the Majority Banks shall, without prejudice to any other rights of the Banks, by notice to TCN declare that:

(a) the obligation of each Bank to make its commitment available shall be terminated, whereupon the commitments shall be reduced to zero forthwith; and/or

(b) the Loan and all interest and commitment commission accrued and all other sums payable under this Agreement have become due and payable, whereupon the same shall, immediately, or on demand or otherwise in accordance with the terms of such notice, become due and payable; and/or

(c) it and/or the Security Trustee shall exercise any of the rights granted to the Agent, the Security Trustee or the Banks under the Security Documents.

FOR THE PURPOSES OF THIS FORM 395:

"Advance" means a Revolving Advance or a Term Advance (as applicable);

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"Agent" means CIBC Wood Gundy plc of Cottons Centre, Cottons Lane, London SE1 2QL or such other person as may be appointed agent for the Banks pursuant to the Agreement;

"Agreement" means an agreement dated 9th May, 1997 and made between TCN (1), the Original Charging Subsidiaries (2), the Arrangers (3), the Banks whose names and addresses are as set out in part B of schedule 1 of the Agreement (4), the Agent (5) and the Security Trustee (6) (as from time to time amended, varied, extended, restated or replaced);

"Arrangers" means CIBC Wood Gundy plc of Cottons Centre, Cottons Lane, London SE1 2QL, The Bank of New York of 46 Berkeley Street, London W1X 6AA and Banque Paribas of 33 Wigmore Street, London W1H 0BN;

"Associated Company" has the meaning attributed thereto in Section 416 of the Income and Corporation Taxes Act 1988;

"Associated Partnerships" means the partnerships whose respective names and principal places of business are set out in schedule 3 to the Supplemental Deed;

"Banks" means the banks and financial institutions listed in part B of schedule 1 to the Agreement (being CIBC Wood Gundy plc, the Bank of New York and Banque Paribas) and includes their successors in title, assignees and substitutes;

"Beneficiaries" means the Second Beneficiaries and, where the context permits, the First Beneficiary;

"Bond Providers" means every bank from time to time having the direct benefit of any Indemnity from a Chargor in respect of any Bond Provision Arrangements entered into by such bank or any novation thereof to the extent only that they are parties to such Bond Provision Arrangements or any such novation and which is or becomes a party to the Security Trust Deed by entering into a deed supplemental to the Security Trust Deed (in a form satisfactory to the Security Trustee) agreeing to be bound by the terms and conditions of the Security Documents as a Bond Provider;

"Bond Provision Arrangement" means any arrangement whereby any bank, at the request of a Chargor, issues any bond in favour of any regulatory body or other person pursuant to any Telecommunications and Cable Law in connection with the construction and installation of the relevant Cable System;

"Borrowed Money" means Indebtedness (including, for the avoidance of doubt, but without double counting, any guarantees of such Indebtedness) in respect of (i) money borrowed or raised and debit balances at banks, (ii) any bond, note, loan stock, debenture or similar debt instrument, (iii) acceptance or documentary credit facilities, (iv) receivables sold or discounted (otherwise than on a non-recourse basis), (v) payments for assets or services acquired which provide for such payments to be deferred for a period of 120 days or more after the relevant assets or services were supplied, (vi) hire purchase contracts, (vii) principal elements of rental payments under Finance Leases, (viii) guarantees, bonds, standby letters of credit or other instruments issued in connection with the performance of contracts to the extent that the same are treated as borrowings in accordance with the generally accepted principles and practices used in the preparation of the most recent audited financial statements of the Group delivered to the Agent under the Agreement and (ix) any other transaction (including without limitation forward sale or purchase agreements and issues of redeemable shares) having the commercial effect of a borrowing or raising of money entered into for the purpose of financing a person's operational or

see continuation sheet no. 9 page 4

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capital requirements provided that in making any calculation of Borrowed Money under this Agreement no Indebtedness shall be taken into account more than once;

"BT Inter-Connect Agreements" means the agreements each dated 30th September 1996 between Security Obligors (other than the Borrower) and British Telecommunications plc and any other agreements for the provision of substantially similar services on substantially similar terms to such agreements or on terms more beneficial to the relevant Security Obligor entered into between such Security Obligor and British Telecommunications plc;

"Cable Systems" means the telecommunications and television systems constructed or to be constructed in the areas covered by the Licences and includes any part of any such system and all modifications, substitutions, replacements, renewals and extensions made to such systems;

"Charged Assets" means all the undertaking, goodwill, property, assets and rights of the Chargor described in clauses 3.1, 3.2, 3.3, 3.4, 3.5 and 3.6 of the Debenture;

"Chargors" means TCN, each of the Original Charging Subsidiaries and each other Subsidiary (if any) of TCN which becomes a party to the Deed pursuant to a Supplemental Deed;

"Collateral Instruments" means the Security Documents, guarantees and any other documents or instruments (including, without limitation, any other document or instrument creating or evidencing a mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, trust arrangement or security interest of any kind) which contain or evidence an obligation (with or without security) to pay, discharge or be responsible directly or indirectly for, any Indebtedness or Liabilities referred to in clause 2.1 of the Debenture;

"Comcast" means Comcast UK Cable Partners Limited, a company incorporated in Bermuda whose registered office is at Clarendon House, Church Street, Hamilton, HM11, Bermuda;

"Comcast Share Mortgage" means the mortgage of shares in the Borrower dated 9th May 1997 in favour of the Security Trustee;

"Contribution" means in relation to a Bank the principal amount of the Loan owing to such Bank at any relevant time;

"Debts" means, in relation to a Chargor, the assets of the Chargor described in clause 3 of the Debenture;

"Debenture" means the debenture dated 20 May 1999 and made between TCN (1), the Original Charging Subsidiaries (2), the Associated Partnerships (3), and CIBC World Markets plc as Security Trustee (4);

"Deed of Subordination" means a deed of subordination dated 9th May 1997 between the Principal Shareholders and the Security Trustee ("Subordination Deed");

"Default" means any Event of Default or any event or circumstance which with (i) the giving of any notice referred to in the Agreement, (ii) the lapse of any period of time referred to in the Agreement or (iii) the satisfaction of any other condition referred to in the Agreement (or any combination of (i), (ii) and (iii) above) would constitute an Event of Default;

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"Earnings" means all monies whatsoever from time to time due or payable to any member of the Group arising out of the use or operation of the Cable Systems including (but without limiting the generality of the foregoing) all revenues or other payments due from Subscribers, damages for breach (or payments for variation or termination) of any Subscriber's Agreement and any sums recoverable from the insurers of the Cable Systems for loss of use or damage to such systems;

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"Earnings Accounts" means:

(a) account number 21351125 in the name of TCN with the Earnings Bank; and/or

(b) such other accounts (with either a clearing bank in the United Kingdom or with another bank agreed between TCN and the Agent) in the name of any member of the Group which has received and countersigned a notice in the form set out in schedule 1 to the Deed;

"Earnings Bank" means Midland Bank plc, 39 Tottenham Court Road, London;

"Encumbrance" means any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, assignation, trust arrangement or security interest of any kind securing any obligation of any person or any other type of preferential arrangement (including without limitation title transfer and/or retention arrangements having similar effect);

"Enforcement Date" means the date on which the Deed becomes enforceable in accordance with clause 11.1;

"Environmental Claim" means any claim, notice of violation, prosecution, demand, action, official warning, abatement or other order (condition or otherwise), relating to Environmental Matters and any notification or order requiring compliance with the terms of any Environmental Licence or Environmental Law;

"Environmental Laws" includes all or any laws, statutes, regulations, treaties, and judgments of any governmental authority or agency or any regulatory body in any jurisdiction in which any member of the Group is formed or carries on business or the European Community relating to Environmental Matters applicable to any member of the Group and/or construction, installation and operation of cable television and telecommunications systems in the Franchises and/or any other activities from time to time carried on by any member of the Group and/or the occupation or use of any property owned, leased or occupied by any member of the Group;

"Environmental Licence" means any permit, licence, authorisation, consent or other approval required at any time by any Environmental Law (but excluding, for the avoidance of doubt, planning permission, listed building consent and building regulation approvals) for the construction, installation and operation of cable television and telecommunications systems in the Franchises and/or any other activities from time to time carried on by any member of the Group;

see continuation sheet no. 11 page 4

"Environmental Matters" means: (i) any generation, deposit, disposal, keeping, treatment, transportation, transmission, handling or manufacture of any waste (as defined in the Environmental Protection Act 1990) or any Relevant Substance; (ii) nuisance, noise, defective premises, health and safety at work or elsewhere; and (iii) the pollution, conservation or protection of the environment (both natural and built) or of man or any living organism supported by the environment (both natural and built);

"Event of Default" means any of the events or circumstances described in clause 14.1 of the Agreement;

"Franchises" means the areas in which the Group is permitted to operate cable television and cable telecommunications systems pursuant to the Licences;

"Finance Lease" means a lease treated as a finance lease pursuant to applicable accounting standards (including at the date of the Agreement, Statement of Standard Accounting Practice 21);

"First Beneficiary" means CIBC Wood Gundy plc to the extent only of the amounts payable to the Security Trustee (for its own account) pursuant to the Agreement or any other Security Document in relation to the period up to and including its retirement as security trustee pursuant to the provisions of the Security Trust Deed and any other person who may be appointed as security trustee pursuant to the provisions of the Security Trust Deed to the extent only of the amounts payable to the Security Trustee (for its own account) pursuant to the Agreement or any other Security Document in relation to the period from and including its appointment up to and including its retirement as security trustee pursuant to the provisions of the Security Trust Deed;

"Floating Charge Assets" means the assets of a Chargor from time to time expressed to be charged by the Deed by way of floating charge;

"Group" means TCN and its Subsidiaries from time to time;

"Guarantee" means, in relation to a Chargor, the obligations of that Chargor pursuant to clauses 2.1(d), (e) and (f) of the Debenture and includes the obligations of such Chargor arising by virtue of clauses 2.2, 2.7 and 15 of the Deed;

"Incapacity" means, in relation to any person, the insolvency, bankruptcy, liquidation, dissolution, winding-up, administration, receivership, amalgamation, reconstruction or other incapacity of that person whatsoever (and, in the case of a partnership, includes the termination or change in composition of the partnership);

"Indebtedness" means any obligation for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent;

"Indemnity" means an indemnity issued or to be issued by any member of the Group in favour of a bank in relation to a bond issued by such bank in favour of any regulatory body or other person pursuant to any Telecommunications and Cable Laws;

"Indemnified Party" has the meaning set out in clause 10.3 of the Debenture;

"Insurances" means, in relation to a Chargor, all present and future contracts or policies of insurance (including life policies) in which that Chargor from time to time has an interest;

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"Intellectual Property Rights" means, in relation to a Chargor, the assets of that Chargor described in clause 3 of the Debenture;

"Interest Rate Beneficiaries" means every Bank from time to time having the direct benefit of any obligations or liabilities owed by any Chargor in respect of the Interest Rate Protection Arrangements or any novation thereof (to the extent only of such obligations or liabilities) and which is or becomes a party to the Security Trust Deed by entering into a deed supplemental to the Security Trust Deed (in a form satisfactory to the Security Trustee) agreeing to be bound by the terms of the Security Documents as an Interest Rate Beneficiary;

"Interest Rate Protection Arrangements" means any interest rate protection arrangements (whether by way of interest rate swap, cap, collar or otherwise) from time to time entered into by any Chargor with any Bank in accordance with certain provisions of the Agreement;

"Liabilities" means all obligations and liabilities whatsoever, whether express or implied, whether as principal or surety, whether present or future, actual or contingent, whether joint or several, in whatever style, name or form and in whatever currency denominated;

"Licences" means the Camden Licences, the Enfield Licences, the Hackney & Islington Licences and the Haringey Licences (details of all of which are set out in schedule 9 of the Agreement) and, if applicable, any other licences issued to any member of the Group under any Telecommunications and Cable Laws;

"Loan" means the aggregate principal amount owing to the Banks under the Agreement at any relevant time;

"Majority Banks" means Banks the aggregate of whose Contributions at any relevant time exceeds 66 per cent. of the Loan or, if no Advance is then outstanding, the aggregate of whose commitments exceeds 66 per cent. of the total of the commitments of all of the Banks;

"Management Fees" means any management, consultancy or similar fees payable by any member of the Group to any Restricted Person;

"Material Adverse Effect" means a material adverse effect on the ability of the members of the Group (taken as a whole) to perform all or any of their respective obligations under or otherwise comply with the terms of the Agreement or any of the Security Documents;

"Monthly Management Accounts" means the monthly management accounts of the Group to be delivered (or which may be delivered) to the Agent pursuant to the Agreement in the agreed form or containing information of the same type as is required by such form;

see continuation sheet no. 13 page 4

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"Necessary Authorisations" means all approvals, authorisations and licences (other than the Licences) from, all rights granted by and all filings, registrations and agreements with any person including, without limitation, any government or other regulatory authority necessary in order to enable each member of the Group to construct, maintain and operate the Cable Systems and to carry on such other business as may be permitted by the terms of the Agreement and which is carried on at the relevant time;

"New Subsidiaries" means the Cable London Limited (no. 1794264), Cable Camden Limited (no.1795642), Cable Enfield Limited (no. 2466511), Cable Hackney and Islington Limited (no. 1795641) and Cable Haringey Limited (no.1808589);

"Original Charging Subsidiaries" means means the companies whose respective names, shareholders and registered numbers are set out in schedule 1 to the Debenture;

"Permitted Disposals" means:

(i) the application of cash in (a) the acquisition of assets or services in the ordinary course of business, or the making of loans in the ordinary course of business not, in any such case, prohibited by the terms of the Agreement or any Security Document, or (b) the repayment of permitted borrowings and the servicing thereof provided that the same is not prohibited or otherwise restricted by the terms of the Agreement;

(ii) any disposals approved by the Agent (acting on the instructions of the Majority Banks);

(iii) the placing of deposits with banks (which have a credit rating from Standard & Poor's Corporation or Moody's Investor Service Inc. of A (or its equivalent) or better) not in contravention of the terms of the Agreement or any Security Document;

(iv) the sale of property or other assets (but excluding any ownership interest in any Security Obligor) on bona fide arms length commercial terms in the ordinary course of business to the extent that the net proceeds of sale are applied forthwith after such sale in the acquisition of assets of a similar nature and approximately equal value to be used in the business of constructing, installing or operating cable television and telecommunications systems in the areas covered by the Licences or any directly related business reasonably considered to be financially beneficial to such business;

(v) disposals within permitted intra-group transactions;

(vi) the disposal of assets pursuant to any sale and leaseback transactions which are permitted by and fall within the definition of permitted borrowings in the Agreement; and

(vii) disposals of assets on bona fide arm's length commercial terms by a Security Obligor (other than any disposals referred to in paragraphs (i) to (vi) (inclusive) above) where such assets are obsolete or no longer required for the purposes of such Security Obligor's business;

see continuation sheet no. 14, page 4

"Permitted Encumbrances" means:

- (i) any Encumbrance arising under the Agreement or under any of the Security Documents;
- (ii) the Barclays Encumbrances as described in the Debenture;
- (iii) any Encumbrance which the Agent, acting on the instructions of the Majority Banks, has at any time in writing agreed shall be a Permitted Encumbrance;
- (iv) any Encumbrance arising in the ordinary course of business by operation of law;
- (v) any Encumbrance in favour of any bank incurred in relation to any cash management or interest netting arrangements;
- (vi) rights of set-off arising in the normal course of business;
- (vii) any retention of title of goods supplied to any Security Obligor where such retention is agreed in the ordinary course of its trading activities and on customary terms provided that the purchase price relating to such goods is required to be paid within 120 days of the date on which the relevant goods are supplied;
- (viii) (for the avoidance of doubt) any Encumbrance arising under Finance Leases where the title to the relevant assets does not vest in any Security Obligor to the extent amounts outstanding under such Finance Leases fall under paragraph (ix) of the definition of permitted borrowings in the Agreement;
- (ix) any Encumbrance (a "New Encumbrance") created by any Security Obligor in substitution for any Encumbrance referred to in paragraph (ii) above (an "Existing Encumbrance") provided that (i) such Existing Encumbrance is irrevocably and unconditionally discharged no later than the time of creation of the New Encumbrance, (ii) the New Encumbrance relates only to the same assets as the Existing Encumbrance, (iii) the Indebtedness secured by the New Encumbrance does not exceed the Indebtedness secured by the Existing Encumbrance and (iv) if required by the Agent, before such New Encumbrance is entered into, the beneficiary thereof enters into a priorities arrangement with the Agent and all of the Banks in form and substance satisfactory to the Agent;

see continuation sheet no. 15, page 4

(x) any Encumbrance not within paragraphs (i) to (ix) above and securing Indebtedness in aggregate not exceeding £25,000,000 and where the assets the subject of such Encumbrance have an aggregate book value not exceeding £25,000,000 provided that the aggregate amount of the Indebtedness secured by Encumbrances permitted under paragraph (viii) above and this paragraph (x) shall not exceed £25,000,000;

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"Principal Agreements" means the BT Inter-Connect Agreements together with any agreements replacing any of the same;

"Principal Shareholder" means each of Comcast and Telewest;

"Prior Charges" means:

(a) the legal mortgage dated 3rd January, 1995 granted by TCN in favour of Barclays Bank PLC over the leasehold property comprised in a lease dated 22nd August, 1994 granted by The Mayor and Burgesses of the London Borough of Haringey in favour of Cable London Plc and known as Car Park No. 1 and No. 2, 60/70 Clarendon Road, N8;

(b) the legal mortgage dated 27th July, 1990 granted by TCN in favour of Barclays Bank PLC over the leasehold property comprised in a lease dated 9th November, 1981 granted by The Mayor and Burgesses of the London Borough of Haringey in favour of Roger Graham Woodward and known as Television House, 60/70 Clarendon Road, Turnpike Lane, London N8 ODJ;

(c) the legal mortgage dated 22nd October, 1992 granted by TCN in favour of Barclays Bank PLC over the leasehold property comprised in a lease dated 22nd October, 1992 granted by The Mayor and Burgesses of the London Borough of Haringey in favour of Archford International Computers Limited and known as Car Park No. 1 and No. 2, 60/70 Clarendon Road, N8; and

(d) the legal mortgage dated 22nd October, 1992 granted by TCN in favour of Barclays Bank PLC over the leasehold property comprised in a lease dated 18th October, 1979 granted by The Mayor and Burgesses of the London Borough of Haringey in favour of West Central Estate & Property Co. Limited and known as Progress House, Site 14, Clarendon Road Industrial Estate, N8,

provided that the aggregate principal amount secured by such Encumbrances at any one time does not exceed £830,000;

"Properties" means, in relation to a Chargor, the assets of such Chargor described in clause 3.1(a) of the Debenture;

see continuation sheet no. 16, page 4

"Qualifying Bank" means a person

(a) which falls within the definition of "bank" for the purposes of section 349(3)(a) of the Income and Corporation Taxes Act 1988 but so that if such Act is amended or repealed, this definition shall be amended in such manner as the Agent, after consultation with the Borrower, shall determine to be necessary in order to define persons of the relevant equivalent category to whom TCN may make payments hereunder without any obligation to make any deduction or withholding in respect of Taxes; or

(b) is resident for the purposes of the relevant double tax treaty in a state which has concluded a double tax treaty with the United Kingdom in force at 13th May 1997 (or in relation to a person which becomes a party to the Agreement) which provides that interest arising in the United Kingdom which is paid to a resident of the other contracting state shall be taxable only in that other state; and

(i) does not become a party to the Agreement through a permanent establishment in the United Kingdom; and

(ii) has agreed to co-operate, and does so co-operate, with TCN with a view to submitting any forms required for the purpose of ensuring the application of such double tax treaty as aforesaid to payments of interest under the Agreement;

"Quarter Days" means 31st March, 30th June, 30th September and 31st December in any year;

"Quarterly Management Accounts" means the quarterly management accounts of the Group to be delivered to the Agent pursuant to clause 11.1(g) of the Agreement in the agreed form or containing information of the same type as is required by such form;

"Receiver" means any one or more receivers and/or managers or administrative receivers appointed by the Security Trustee pursuant to the Deed in respect of all or any of the Chargors or over all or any of the Charged Assets.

"Relevant Substance" means (i) any radioactive emissions, (ii) electricity and any electrical or electromagnetic emissions and (iii) any substance whatsoever (whether in a solid or liquid form or in the form of a gas or vapour and whether alone or in combination with any other substance) which is capable of causing harm to man or any other living organism supported by the environment (both natural and built), or damaging the environment (both natural and built) or public health or welfare;

"Restricted Person" means (i) any Principal Shareholder or any Ultimate Shareholder or (ii) any Subsidiary or Associated Company of any Principal Shareholder or any Ultimate Shareholder or any partnership in which any Principal Shareholder or any Ultimate Shareholder or any of their Subsidiaries or Associated Companies is a partner (either directly or through any intermediate partnerships) or (iii) any person of which any Principal Shareholder or any Ultimate Shareholder is a Subsidiary or Associated Company or any partnership in which any such person is a partner (either directly or through immediate partnerships) or (iv) any Subsidiary of TCN which is not a Security Obligor but no Security Obligor will be a Restricted Person for the purposes of this Agreement;

"Revolving Advance" means an Advance made during the Revolving Period;
see continuation sheet no. 17, page 4

"Revolving Period" means the period from (and including) the date of the Agreement to (and including) 30 June 2001;

"Second Beneficiaries" means the Agent, the Banks, the Bond Providers, the Interest Rate Beneficiaries and the Arrangers;

"Secured Obligations" means all moneys, obligations and liabilities covenanted to be paid or discharged under or pursuant to clause Error! Reference source not found. of the Debenture;

"Security Documents" means the Debenture, the Deeds of Subordination, the Security Trust Deed, any Supplemental Deed, the Comcast Share Mortgage, the Telewest Share Mortgage and all other mortgages, charges, guarantees, indemnities and other instruments from time to time entered into in favour of the Agent, the Security Trustee and/or the Banks by way of guarantee or other assurance of and/or security for amounts owed to any of the Beneficiaries (as defined in the Security Trust Deed);

"Security Obligor" means each of TCN, the Original Charging Subsidiaries and any other Subsidiary of TCN which becomes a party to this Agreement, the Debenture and the Security Trust Deed pursuant to a Supplemental Deed;

"Security Trust Deed" means a deed dated 9th May 1997 and made between the Borrower (1), the companies whose respective names and registered numbers are set out in schedule 1 thereto (2), Comcast UK Cable Partners Limited and Telewest Communications plc (3), the Agent (4), the Security Trustee (5), the Arrangers (6), the banks whose names are set out in schedule 2 thereto (7), the bond providers referred to therein (8) and the interest rate beneficiaries referred to therein (9);

"Senior Debt" means the Tranche A Loan, the Tranche B Loan and all other Indebtedness of the Group having the benefit of an Encumbrance;

"Six Month Period" means each period of six months ending on the last day of a calendar month;

"Sterling" and "£" mean the lawful currency for the time being of the United Kingdom and in respect of all payments to be made under this Agreement in Sterling means immediately available, freely transferable cleared funds;

"Subscriber" means a person who has entered into an agreement (which has not expired or been terminated) (a "Subscriber's Agreement") with a member of the Group to be provided with services by a member of the Group through the operation of the Cable Systems;

"Subordinated Creditor" means any person who has, at any relevant time, entered into a Deed of Subordination;

"Subordinated Debt" means, at any relevant time, all Borrowed Money of the Group owed to a Subordinated Creditor;

"Subsidiaries of TCN" means the companies whose respective names and registered numbers are set out in schedule 2 to the Supplemental Deed and "Subsidiary of TCN" means any one of them;

see continuation sheet 18, page 4

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"Subsidiary" of a person means (a) any company or entity directly or indirectly controlled by such person, for which purpose "control" means either ownership of more than 50 per cent. of the voting share capital (or equivalent right of ownership) of such company or entity or power to direct its policies and management whether by contract or otherwise or the right to receive more than 50 per cent. of any distributions (of whatever nature) made in respect of the share capital or other ownership interests of such company or entity and (b) in the case of a company incorporated in England and Wales or Scotland, a Subsidiary Undertaking;

"Subsidiary Undertaking" has the meaning given to such term in section 258 Companies Act 1985;

"Supplemental Deed" means a deed supplemental to the Debenture executed by a Subsidiary of TCN in the form set out in schedule 7 to the Debenture by virtue of which that Subsidiary becomes bound by the Debenture in the capacity of a Chargor and bound by the Agreement in the capacity of an Original Charging Subsidiary; and

"Swap Agreements" means all Interest Rate Protection Arrangements together with the full benefit of any security interest or other assurance against financial loss in respect of the same;

"Taxes" includes all present and future taxes, levies, imposts, duties, fees or charges of a similar nature together with interest thereon and penalties in respect thereof and "Taxation" shall be construed accordingly;

"TCN" means Telewest Communications Networks Limited (No. 3071086) whose registered office is at Unit 1, Genesis Business Park, Albert Drive, Woking, Surrey GU21 5RW;

"Telecommunications and Cable Laws" means the Telecommunications Act 1984, the Cable and Broadcasting Act 1984, the Broadcasting Act 1990 and all other laws, statutes, regulations and judgements relating to telecommunications or cable television applicable to any member of the Group, and/or the business carried on by, any member of the Group (for the avoidance of doubt, not including laws, statutes, regulations or judgments relating solely to consumer credit, data protection or intellectual property);

"Telewest" means Telewest Communications plc (Company No. 2983307) whose registered office is at Genesis Business Park, Albert Drive, Woking, Surrey GU21 5RW;

"Telewest Share Mortgage" means a mortgage of shares dated 9th May 1997 entered into by Telewest in favour of the Security Trustee;

"Term Advance" means, after the end of the Revolving Period, the advance deemed to be made pursuant to the Agreement and any advance resulting from the division and/or consolidation of any Term Advance in accordance with the Agreement;

"Tranche A" means that part of the Facility made available to the Borrower under the Agreement which is referred to in the Agreement as such;

"Tranche A Loan" means the aggregate principal amount of all Revolving Advances made under Tranche A which are, at the relevant time, outstanding under Tranche A;

"Tranche A Revolving Period" means the period from (and including) the date of the Agreement to (and including) 30 June 2000;

see continuation sheet no. 19 page 4

"Tranche B" means that part of the Facility made available to the Borrower under the Agreement which is referred to in the Agreement as such;

"Tranche B Loan" means, at any time during the Revolving Period, the aggregate principal amount of all Revolving Advances made under Tranche B which are, at the relevant time, outstanding under Tranche B and, at any time after the Tranche B Revolving Period, the aggregate principal amount of all Term Advances outstanding under Tranche B;

"Tranche B Revolving Period" means the period from (and including) the date of the Agreement to (and including) 30 June 2001;

"UK GAAP" means generally accepted accounting principles and practices in the United Kingdom; and

"Ultimate Shareholders" means each of Comcast Corporation and Telewest Communications plc and "Ultimate Shareholder" means any one of them.

Clause 1.2 of the Debenture provides that the expressions "Agent", "Banks", "Beneficiaries", "Bond Providers", "Borrower", "Chargor", "First Beneficiary", "Interest Rate Beneficiaries", "Arrangers", "Original Charging Subsidiary", "Second Beneficiaries", "Security Provider" and "Security Trustee" include, where the context admits, their respective successors, permitted assigns and, in the case of the Banks, their assignees and substitutes and, in the case of the Security Trustee, such other person as may from time to time be appointed as Security Trustee for the Beneficiaries pursuant to the provisions of the Security Trust Deed and, in the case of the Agent, such other person as may be appointed as Agent pursuant to the provisions of the Agreement.

Reference to a person includes its successors and assigns.

Reference to a document is a reference to that document as amended.

References to any enactment include references to such enactment as extended, amended or re-enacted from time to time.

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CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 02466511

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A SUPPLEMENTAL DEED MADE BETWEEN THE NEW SUBSIDIARIES DATED THE 16th FEBRUARY 2000 AND CREATED BY CABLE ENFIELD LIMITED FOR SECURING PURSUANT TO THE CABLE LONDON SUPPLEMENTAL DEED BY CLAUSE 2.1 OF THE DEBENTURE THE COMPANY COVENANTS THAT IT WILL ON DEMAND MADE ON IT BY THE SECURITY TRUSTEE PAY TO THE SECURITY TRUSTEE FOR THE ACCOUNT OF THE RELEVANT BENEFICIARY ALL MONEYS AND DISCHARGE ALL OBLIGATIONS AND LIABILITIES WHETHER ACTUAL OR CONTINGENT NOW OR HEREAFTER DUE OWING OR INCURRED TO THE AGENT THE SECURITY TRUSTEE THE ARRANGERS THE BANKS (OR ANY OF THEM) BY IT UNDER OR PURSUANT TO THE AGREEMENT AND/OR THE DEBENTURE AND/OR THE SECURITY TRUST DEED AND/OR ANY OF THE SECURITY DOCUMENTS WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 28th FEBRUARY 2000.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 2nd MARCH 2000.



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



C O M P A N I E S H O U S E

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