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in black type, or
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*insert full name
of company

COMPANIES FORM No. 395

Particulars of a mortgage or charge

395

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies

For official use

Company number

[2]

3128449

Name of company

* Bell Cablemedia (County Durham) Limited (the "Company")

Date of creation of the charge

15th January, 1997

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

Supplemental Debenture (the "Supplemental Debenture") between the Borrower (as defined below), the companies and partnership listed in Schedule 1 of the Supplemental Debenture (together with the Borrower and the Company, the "Charging Companies") and National Westminster Bank Plc as agent and trustee for the Transaction Parties (as defined below)

Amount secured by the mortgage or charge

Please see attached.

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

National Westminster Bank Plc (the "Agent") as agent and trustee as aforesaid Juno Court, 3rd Floor, 24 Prescott Street, London E1 8BB

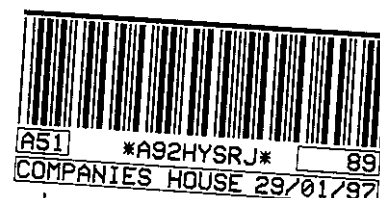
Presentor's name address and
reference (if any):

Simon Roberts
Allen & Overy
One New Change
London EC4M 9QQ
(Tel: 0171 330 3000)
MGD/SCR/AJJA/B1:83950.1

Time critical reference

For official use
Mortgage Section

Post room



Short particulars of all the property mortgaged or charged

Please see attached.

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in black type, or
bold block
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Particulars as to commission allowance or discount (note 3)

N/A

Signed

Shun Oy

Date

28.1.97

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

† delete as
appropriate

- 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.

Amount due or owing to the Mortgage or Charge

All present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Charging Company to any Transaction Party under each Transaction Document except for any obligation which if it were so included, would result in the Debenture contravening Section 151 of the Companies Act 1985 (the "**Secured Liabilities**").

"Acquisition Credit Agreement" means the US\$425,000,000 credit agreement dated 21st October, 1996 between (amongst others) the Charging Companies (including the Company) and the Agent.

"Arranger" means NatWest Markets.

"Banks" the financial institutions listed in Schedule 1 of the Credit Agreement as banks (each a "Bank").

"Borrower" means Bell Cablemedia plc (Registered No. 2735732).

"Co-Arranger" means The Toronto-Dominion Bank.

"Credit Agreement" means the Acquisition Credit Agreement or the Revolving Credit Agreement.

"Debenture" means the debenture dated 16th December, 1996 executed by the Charging Companies (including the Company) in favour of the Agent as supplemented by the Supplemental Debenture.

"Revolving Credit Agreement" means the £75,000,000 revolving credit agreement dated 15th January, 1997 between (among others) the parties to the Supplemental Debenture accompanying this Form 395.

"Supplemental Debenture" means the supplemental debenture dated 15th January, 1997 executed by the Charging Companies (including the Company) in favour of the Agent accompanying this Form 395.

"Transaction Document" means a Finance Document under (and as defined in) the Acquisition Credit Agreement and the Revolving Credit Agreement.

"Transaction Party" means a Finance Party under (and as defined in) the Acquisition Credit Agreement and the Revolving Credit Agreement.

Short Particulars (continued - 1)

- (a) By way of a first legal mortgage the Company as security for the payment of all the Secured Liabilities charges in favour of the Agent:
- (i) all the Material Real Property (the Material Real Property being, at the date of the Debenture, the properties listed in Schedule 6 of the Debenture);
 - (ii) all estates or interests in any freehold or leasehold property (except any Security Assets specified in sub-paragraph (i) above) now belonging to it.
- (b) By way of a first fixed charge, the Company as security for the payment of all the Secured Liabilities charges in favour of the Agent:
- (i) (to the extent that they are not the subject of a mortgage under paragraph (a) above) all estates or interests in any freehold or leasehold property belonging to it;
 - (ii) any Tangible Moveable Property in its possession;
 - (iii) all Group Shares held by it and/or any nominee on its behalf and all Related Rights accruing to the Group Shares;
 - (iv) all moneys standing to the credit of any account with any person and the debts represented by them;
 - (v) all benefits in respect of the Insurances and all claims and returns of premiums in respect of them;
 - (vi) all of the Company's book and other debts, the proceeds of the same and all other moneys due and owing to the Company and the benefit of all rights, securities and guarantees of any nature enjoyed or held by it in relation to any of the foregoing;
 - (vii) (to the extent that they do not fall within any other sub-paragraph of this paragraph (b)) all of the Company's rights and benefits under the Relevant Agreements, any distributorship or similar agreements entered into by it, any letters of credit issued in its favour and all bills of exchange and other negotiable instruments held by it;
 - (viii) any beneficial interest, claim or entitlement of the Company in any pension fund;
 - (ix) the Company's goodwill;
 - (x) to the extent that they are able to be the subject of any Security Interest, the benefit of all licences (including the Licences), consents and authorisations (statutory or otherwise) held in connection with the Company's business or the use of any Security Asset specified in any other sub-paragraph in paragraph (a) above and this paragraph (b) and the right to recover and receive all compensation which may be payable to it in respect of them;
 - (xi) the Company's uncalled capital;

- (xii) the Company's Intellectual Property Rights (including the patents and trademarks specified in Schedule 2 of the Debenture); and
 - (xiii) all benefits and proceeds in respect of the guarantee and support agreement between Le Groupe Vidéotron Ltée and the Borrower and the Share Sale and Purchase Agreement.
- (c) The Company as beneficial owner and as security for the payment of all of the Secured Liabilities, charges in favour of the Agent by way of a first floating charge all its assets not otherwise effectively mortgaged or charged by way of fixed mortgage or charge by paragraphs (a) and (b) above.

"Acquisition" means the acquisition by the Borrower of the Target Shares and the purchase of the shares under the Share Sale and Purchase Agreement.

"BCI" means Bell Canada International Inc. incorporated under the laws of Canada.

"Cable System" means a telecommunication system (as defined in Section 4(1) of the Telecommunications Act 1984) constructed or to be constructed in the area covered by the Licences and includes any part of such system and all modifications, substitutions, replacements and extensions made to such system.

"C&W" means Cable & Wireless PLC (registered number 238525).

"CRUK" means Cable Road (UK) Limited (registered number 2329254).

"Fixtures" means all fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery on the Mortgaged Property.

"Group" means the Borrower and its Subsidiaries.

"Group Shares" means the Shares in any member of the Group listed in Schedule 2 of the Debenture and any other Shares in any member of the Group from time to time which are held by a relevant Charging Company or a nominee on behalf of that Charging Company, including the Shares owned by the Company in the Target and, after the Acquisition, the Shares in CRUK.

"Insurances" means any first party policies of insurance taken out by or on behalf of each Charging Company or (to the extent of its interest) in which the relevant Charging Company has an interest (other than any directors' or officers' liability and any special accident policies).

"Intellectual Property Rights" means all know-how, patents, trade marks, service marks, designs, business names, topographical or similar rights, copyrights and other intellectual property monopoly rights and any interests (including by way of licence) in any of the foregoing (in each case whether registered or not and including all applications for the same).

"Licences" means any licence granted to any member of the Group in connection with the operation of the Cable System.

"Material Real Property" means:

- (a) freehold or leasehold property with a market value exceeding £200,000; or

- (b) freehold or leasehold property on which any headend equipment or switch equipment is held.

"Mortgaged Property" means any freehold or leasehold property the subject of the security created by the Debenture.

"Principal Agreement" means:

- (a) any interconnect agreement with British Telecom or Mercury (and any replacement of those agreements) to which any Charging Company is a party;
- (b) any significant programming, construction and leasing agreements to which any Charging Company is a party;
- (c) any technical assistance agreements from BCI or C&W or any of their affiliates; and
- (d) any other similar contract which, in the reasonable opinion of the Borrower, is material to the operation and maintenance of the Cable System.

"Related Rights" means any dividend or interest paid or payable in relation to any Share and any rights, moneys or property accruing or offered at any time in relation to any Shares by way of redemption, substitution, exchange, bonus or preference, under any option rights or otherwise.

"Relevant Agreements" means the Principal Agreements and any other agreements agreed by the Agent and any Charging Company.

"Security Assets" means all assets of the Company the subject of any security created by the Debenture (as amended by the Supplemental Debenture accompanying this Form 395).

"Security Documents" means the Debenture (as amended by the Supplemental Debenture accompanying this Form 395) and any other document securing the obligations of the Charging Companies under or in connection with the Transaction Documents.

"Security Interest" means any mortgage, pledge, lien, charge, assignment, hypothecation or security interest or any other agreement or arrangement having the effect of conferring security.

"Shares" means the Group Shares and any other stocks, shares, debentures, bonds or other securities and investments.

"Share Sale and Purchase Agreement" means the share sale and purchase agreement dated on or about the date of the Acquisition Credit Agreement between the Borrower and Cable Road Investments Limited relating to the purchase by the Borrower of 100 per cent. of the shares in CRUK.

"Subsidiary" means:-

- (a) a subsidiary within the meaning of Section 736 of the Companies Act 1985 as amended by Section 144 of the Companies Act 1989; and
- (b) unless the context otherwise requires, a subsidiary undertaking within the meaning of Section 21 of the Companies Act 1989,

and including for the avoidance of doubt the Target after the Acquisition.

"Tangible Movable Property" means:

- (a) all headend equipment being equipment required in order to transmit or receive radio and/or television programming and other services including, without limitation, antennae, satellite receiver only dishes, converters, microwave receivers, modulators and laser transmitters;
- (b) all switch equipment being equipment required in order to operate a telephone exchange in conjunction with a telecommunications network including, without limitations, all computer hardware and software required for that purpose;
- (c) all wire, cable (including copper and fibre optic cable), tube, pipe or other similar thing (including its casing or coating) which is laid or in the process of being laid by any Charging Company as part of the construction of the Cable System; and
- (d) all proprietary computer software now or hereafter belonging to any Charging Company including all rights (including copyright) in, to and over computer programs, including computer programs in source code and object code form, preparatory design material and database.

"Target" means Videotron Holdings plc (registered number 2719474).

"Target Shares" means the issued shares in the capital of the Target.

- NB**
- 1. The charges, mortgages and assignments created by the Debenture accompanying this Form 395 are given with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
 - 2. The Company shall not:-
 - (a) create or permit to subsist any Security Interest on any Security Asset other than any Security Interest created by the Debenture or pursuant to any other Security Document; or
 - (b) except as permitted by the Transaction Documents, sell, transfer, grant, lease or otherwise dispose of any Security Asset except for the disposal in the ordinary course of trade of any Security Asset subject to the floating charge created under the Debenture.
 - 3. A reference in the Debenture to a charge or mortgage of any freehold or leasehold property includes:-
 - (a) all buildings and Fixtures on that property;
 - (b) the proceeds of sale of any part of that property; and
 - (c) the benefit of any covenants for title given or entered into by any predecessor in title of the relevant Charging Company in respect of that property or any moneys paid or payable in respect of those covenants.

Company Name: Bell Cablemedia (County Durham) Limited
Cont: 6

Company No. 3128449

4. The fact that no details of properties or patents and trademarks or agreements are included in the relevant Schedule does not affect the validity or enforceability of any security created by the Debenture.
5. A reference to any Transaction Document is to that Transaction Document as amended, novated or supplemented.

B1:83981.1

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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. 03128449

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A SUPPLEMENTAL DEBENTURE DATED THE 15th JANUARY 1997 AND CREATED BY BELL CABLEMEDIA (COUNTY DURHAM) LIMITED FOR SECURING ALL PRESENT AND FUTURE OBLIGATIONS AND LIABILITIES (WHETHER ACTUAL OR CONTINGENT AND WHETHER OWED JOINTLY OR SEVERALLY OR IN ANY OTHER CAPACITY WHATSOEVER) OF EACH CHARGING COMPANY (AS THEREIN DEFINED) TO ANY TRANSACTION PARTY (AS THEREIN DEFINED) UNDER EACH TRANSACTION DOCUMENT (AS THEREIN DEFINED) EXCEPT FOR ANY OBLIGATION WHICH IF IT WERE SO INCLUDED, WOULD RESULT IN THE DEBENTURE DATED 16th DECEMBER 1996 (AS THEREIN DEFINED) CONTRAVENING SECTION 151 OF THE COMPANIES ACT 1985 (THE "SECURED LIABILITIES") WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 29th JANUARY 1997.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 31st JANUARY 1997.

W. Grandon
W. GRANDON

for the Registrar of Companies

LC *Grandon*
31-1-97



COMPANIES HOUSE

HC026B