

TRAVERS SMITH BRAITHWAITE

DATED 22 DECEMBER 2000

3173552

(1) NTL COMMUNICATIONS CORP.

(2) NTL (UK) GROUP, INC.

(3) NTL COMMUNICATIONS LIMITED

(4) NTL INVESTMENT HOLDINGS LIMITED

(5) NTL GROUP LIMITED

SECURITIES ACQUISITION AGREEMENT

RELATING TO



SHARES IN AND A LOAN NOTE ISSUED BY

CABLETEL NEWPORT

WE CERTIFY THIS TO BE
A TRUE COPY OF THE
ORIGINAL

Travers Smith Braithwaite
TRAVERS SMITH BRAITHWAITE
10 SNOW HILL, LONDON EC1A 2AL
SOLICITORS

DATE: 30/4/01



THIS AGREEMENT is made on

22 December

2000

BETWEEN:

- (1) **NTL COMMUNICATIONS CORP.**, a company incorporated in the State of Delaware, whose principal office is at 110 East 59th Street, 26th Floor, NY 10022, USA ("NTL Corp");
- (2) **NTL (UK) GROUP, INC.**, whose address is NTL House, Bartley Wood Business Park, Hook, Hampshire RG27 9UP ("NTL (UK) Group Inc");
- (3) **NTL COMMUNICATIONS LIMITED**, whose registered number is 3521915, whose registered office is at NTL House, Bartley Wood Business Park, Hook, Hampshire RG27 9UP ("NTL Communications");
- (4) **NTL INVESTMENT HOLDINGS LIMITED**, whose registered number is 317552, whose registered office is at NTL House, Bartley Wood Business Park, Hook, Hampshire RG27 9UP ("NTL Investment Holdings"); and
- (5) **NTL GROUP LIMITED**, whose registered number is 2591237, whose registered office is at NTL House, Bartley Wood Business Park, Hook, Hampshire RG27 9UP ("NTL Group Limited").

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

- 1.1 The following words and expressions where used in this Agreement have the meanings given to them below:

Buyers	each of those persons who is to buy the Securities in accordance with this Agreement;
Company	Cabletel Newport (registered number 02478879);
Completion	completion of each of the Sales in accordance with clause 4;

Completion Date	11.58 p.m. on 31 December 2000;
Consideration	the consideration for the sale and purchase of the Securities as stated in clause 3;
Loan Note	a loan note issued by the Company;
NTL CC Loan Note	the £4 million unsecured Loan Note issued pursuant to a resolution of the board of directors of the Company passed on 18 May 1994;
Sales	each sale and purchase of the Securities pursuant to this Agreement;
Sellers	each of those persons who is to sell Securities in accordance with this Agreement;
Securities	the Shares and Loan Notes being sold pursuant to each of the sub-clauses of clause 2; and
Shares	ordinary shares in the capital of the Company.

- 1.2 The headings in this Agreement are for convenience only and shall not affect its meaning.
- 1.3 References to a clause or sub-clause are (unless otherwise stated) to a clause or sub-clause of this Agreement.
- 1.4 Words importing one gender shall (where appropriate) include any other gender and words importing the singular shall (where appropriate) include the plural and vice versa.
- 1.5 Reference to a "**person**" shall include a body corporate.

2. SALE OF SECURITIES

- 2.1.1 NTL Corp shall sell or procure to be sold and NTL (UK) Group Inc shall purchase the NTL CC Loan Note and 7,516,250 Shares;
- 2.1.2 following the sale and purchase of the Securities pursuant to clause 2.1.1, NTL (UK) Group Inc shall sell or procure to be sold and NTL Communications shall purchase the NTL CC Loan Note and 7,516,250 Shares;
- 2.1.3 following the sale and purchase of the Securities pursuant to clause 2.1.2, NTL Communications shall sell or procure to be sold and NTL Investment Holdings shall purchase the NTL CC Loan Note, and all of the issued Shares;
- 2.1.4 following the sale and purchase of the Shares pursuant to clause 2.1.3, NTL Investment Holdings shall sell or procure to be sold and NTL Group Limited shall purchase the NTL CC Loan Note, and all of the issued Shares;

in each case upon and subject to the terms and conditions of this Agreement.

- 2.2 Upon and subject to the terms of this Agreement, each relevant Seller shall procure that the relevant Buyer acquires good title to the relevant Securities free from all liens, charges, encumbrances, equities and claims whatsoever and together with all rights now or hereafter attaching to them.
- 2.3 None of the Buyers shall be obliged to complete the purchase of any of the Securities unless the purchase of all of the Securities is completed simultaneously.

3. CONSIDERATION

- 3.1 The Consideration for the sale and purchase of the securities on each of the Sales shall be determined upon the receipt by NTL Group Limited of a letter (the "**Letter**") from the Inland Revenue in response to a request for clearance pursuant to section 138 Taxation of Chargeable Gains Act 1992 notifying the parties to this Agreement that the Inland Revenue is satisfied that the exchange contemplated by clauses 3.2 and 3.3 would be effected for bona fide commercial reasons and does not form part of a scheme or arrangement of which the main purposes, or one of the main

purposes, is avoidance of liability to capital gains tax or corporation tax. If the Letter gives such confirmation then the Consideration shall be determined in accordance with clauses 3.2 and 3.3, otherwise the Consideration shall be determined in accordance with clauses 3.4 and 3.5.

- 3.2 If this clause 3.2 applies in accordance with clause 3.1, the Consideration for the sale and purchase of the Shares on each of the Sales shall be the issue of one ordinary share, credited as fully paid, in the capital of the relevant Buyer (or, in the case of NTL (UK) Group Inc only, by way of the issue of one share of common stock, credited as fully paid, in the capital of NTL (UK) Group Inc).
- 3.3 If this clause 3.3 applies in accordance with clause 3.1, the Consideration for the sale and purchase of the NTL CC Loan Note on each of the Sales shall be the issue of one ordinary share, credited as fully paid, in the capital of the relevant Buyer (or, in the case of NTL (UK) Group Inc only, by way of the issue of one share of common stock, credited as fully paid, in the capital of NTL (UK) Group Inc).
- 3.4 If this clause 3.4 applies in accordance with clause 3.1, the Consideration for the sale and purchase of the Shares on each of the Sales shall be the issue of such number of ordinary shares, credited as fully paid, in the capital of the relevant Buyer (or, in the case of NTL (UK) Group Inc only, by way of the issue of such number of shares of common stock, credited as fully paid, in the capital of NTL (UK) Group Inc) as have an aggregate market value equal to the aggregate market value of the Shares transferred as agreed between the relevant Buyer and relevant Seller.
- 3.5 If this clause 3.5 applies in accordance with clause 3.1, the Consideration for the sale and purchase of the NTL CC Loan Note each of the Sales shall be the issue of such number of ordinary shares, credited as fully paid, in the capital of the relevant Buyer (or, in the case of NTL (UK) Group Inc only, by way of the issue of such number of shares of common stock, credited as fully paid, in the capital of NTL (UK) Group Inc) as have an aggregate market value equal to the market value of the NTL CC Loan Note agreed between the relevant Buyer and relevant Seller.
- 3.6 Each of the Buyers hereby undertakes as a continuing obligation to procure that its authorised share capital is increased to the extent necessary to enable it to comply with its obligations under this Agreement from time to time.

4. COMPLETION

- 4.1** Completion shall take place on the Completion Date in the order contemplated by clause 2.1 when the relevant Seller shall deliver to the relevant Buyer duly executed transfers of the relevant Shares and the NTL CC Loan Note in favour of the relevant Buyer (or any person nominated by such Buyer), together with the relevant share certificates (if available).
- 4.2** The relevant Buyer shall, conditionally upon the delivery of the duly executed transfers referred to in clause 4.1 above, satisfy the Consideration by way of the issue of such number of ordinary shares as is determined pursuant to clause 3, credited as fully paid, in the capital of the relevant Buyer (or, in the case of NTL (UK) Group Inc only, by way of the issue of such number of shares of common stock as is determined pursuant to clause 3, credited as fully paid, in the capital of the NTL (UK) Group Inc) within 5 business days of:
- 4.2.3** if clauses 3.2 and 3.3 apply, the receipt of the Letter; or
- 4.2.3** if clauses 3.4 and 3.5 apply, the market values referred to therein being agreed between the parties.

5. COSTS

Each party shall pay its own costs and expenses incurred in the negotiation, preparation and execution of this Agreement.

6. GENERAL

- 6.1** This Agreement constitutes the entire and only legally binding agreement between the parties relating to the sale of the Securities and no variation of this Agreement shall be effective unless made in writing signed by or on behalf of all the parties and expressed to be such a variation.
- 6.2** This Agreement may be executed in two or more counterparts and execution by each of the parties of any one of such counterparts will constitute due execution of this Agreement.
- 6.3** The parties shall, and shall use their reasonable endeavours to procure that any third party shall, do, execute and perform all such further deeds, documents, assurances, acts and things as may be reasonably necessary to give effect to this Agreement.

6.5 Each party acknowledges that it is entering into this Agreement without reliance on any undertaking or representation given by or on behalf of any other party other than as expressly contained in this Agreement provided that nothing herein shall exclude any party from liability for fraudulent misrepresentation.

7. APPLICABLE LAW AND JURISDICTION


7.1 This Agreement shall be governed by and construed in accordance with the laws of England.

7.2 The parties irrevocably submit to the exclusive jurisdiction of the Courts of England and Wales in respect of any claim, dispute or difference arising out of or in connection with this Agreement.

AS WITNESS this Agreement has been duly executed by or on behalf of the parties the day and year first before written.

SIGNED by
on behalf of
NTL COMMUNICATIONS CORP.

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Authorised Signatory

SIGNED by
on behalf of
NTL (UK) GROUP, INC.

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)

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Authorised Signatory

SIGNED by
on behalf of
NTL COMMUNICATIONS LIMITED

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)
)

.....
Director

6.4 The provisions of this Agreement shall remain in full force and effect after Completion so far as they then remain to be observed and performed.

6.5 Each party acknowledges that it is entering into this Agreement without reliance on any undertaking or representation given by or on behalf of any other party other than as expressly contained in this Agreement provided that nothing herein shall exclude any party from liability for fraudulent misrepresentation.

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SIGNED by)
on behalf of)
NTL COMMUNICATIONS CORP.) Authorised Signatory

SIGNED by R MACKENZIE)
on behalf of)
NTL (UK) GROUP, INC.) Authorised Signatory

SIGNED by R MACKENZIE)
on behalf of)
NTL COMMUNICATIONS LIMITED) Director

SIGNED by *R. Mackenzie*
on behalf of
NTL INVESTMENT HOLDINGS
LIMITED

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R. Mackenzie
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Director

SIGNED by *R. Mackenzie*
on behalf of
NTL GROUP LIMITED

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R. Mackenzie
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Director