



Virgin Media Secured Finance PLC

\$500,000,000 5.25% Senior Secured Notes due 2021
£650,000,000 5.50% Senior Secured Notes due 2021

We are offering senior secured notes, which we refer to as the notes, in U.S. dollar and sterling denominated tranches. The notes will be issued by Virgin Media Secured Finance PLC and guaranteed on a senior basis by Virgin Media Inc., Virgin Media Finance PLC and Virgin Media Investment Holdings Limited and certain of its subsidiaries, and certain other operating companies which are subsidiaries of Virgin Media Inc. but not of Virgin Media Investment Holdings Limited. The notes will be guaranteed by the same entities which currently guarantee our senior credit facility and existing senior secured notes. A complete list of the guarantors of the notes is set forth on Schedule I of this offering memorandum. The notes will rank pari passu with our senior credit facility and, subject to certain exceptions, share in substantially the same collateral which secures our senior credit facility and our existing senior secured notes.

Interest payable on January 15 and July 15.

The notes will mature on January 15, 2021. Interest will accrue from March 3, 2011 and the first interest payment date will be July 15, 2011.

The issuer may redeem the notes in whole or in part at any time by paying a "make-whole" premium. The issuer may also redeem all of the notes at a price equal to their principal amount plus accrued and unpaid interest, if any, upon the occurrence of certain changes in applicable tax law. In addition, upon a change of control, as defined in the indenture governing the notes, the issuer will be required to make an offer to repurchase the notes at 101% of their principal amount, plus any accrued and unpaid interest and additional amounts to the date of repurchase.

See "Risk Factors" beginning on page 14 for a discussion of certain risks that you should consider in connection with an investment in the notes.

Offering price for the U.S. dollar notes: 99.482% plus accrued interest from March 3, 2011, if any.

Offering price for the sterling notes: 99.108% plus accrued interest from March 3, 2011, if any.

The notes have not been registered under the U.S. Securities Act of 1933, as amended, or the Securities Act, and are being offered and sold in the United States only to qualified institutional buyers in reliance on Rule 144A under the Securities Act and to certain non-U.S. persons in transactions outside the United States in reliance on Regulation S under the Securities Act. Prospective purchasers that are qualified institutional buyers are hereby notified that the seller of the notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. The notes are not transferable except in accordance with the restrictions described under "Transfer Restrictions."

Under certain circumstances, we have agreed to file a registration statement with the U.S. Securities and Exchange Commission, or SEC, relating to an offer to exchange the notes and guarantees for publicly tradable notes and guarantees having substantially identical terms.

We will make an application to list the notes on the Official List of the Luxembourg Stock Exchange and for the admission of the notes to trading on the Euro MTF market of the Luxembourg Stock Exchange.

We expect that delivery of the notes will be made to investors in book-entry form through The Depository Trust Company, Euroclear and Clearstream on or about March 3, 2011.

Joint Lead Bookrunners

BNP PARIBAS
Physical Bookrunner & Global
Coordinator

Deutsche Bank
Physical Bookrunner & Global
Coordinator

HSBC

RBS

Joint Bookrunners

Goldman, Sachs & Co.

J.P. Morgan

UBS Investment Bank

February 24, 2011

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You should rely only on the information contained in or incorporated by reference into this offering memorandum. We have not authorized any other person to provide you with different or additional information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this offering memorandum is accurate only as of the date on the front cover of this offering memorandum. Our business, financial condition, results of operations and prospects may have changed since that date.

You should read this offering memorandum together with the documents incorporated by reference herein. See “Where You Can Find More Information.”

This offering memorandum is confidential. You are authorized to use this offering memorandum solely for the purpose of considering the purchase of the notes described in this offering memorandum. We and other sources identified herein have provided the information contained in this offering memorandum. The Initial Purchasers named herein make no representation or warranty, expressed or implied, as to the accuracy or completeness of such information, and nothing contained in this offering memorandum is, or shall be relied upon as, a promise or representation by the Initial Purchasers. You may not reproduce or distribute this offering memorandum, in whole or in part, and you may not disclose any of the contents of this offering memorandum or use any information herein for any purpose other than considering the purchase of the notes. You agree to the foregoing by accepting delivery of this offering memorandum.

The securities offered hereby have not been recommended by any United States federal or state securities commission or regulatory authority or any federal or state securities commission or regulatory

authority of any other jurisdiction. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary is a criminal offense.

We are making this offering and will sell the notes in reliance upon an exemption from registration under the Securities Act for offers and sales of securities that do not involve a public offering.

You are responsible for making your own examination of us and your own assessment of the merits and risks of investing in the notes. You may contact us if you need any additional information. By purchasing any notes, you will be deemed to have acknowledged that:

- you have reviewed this offering memorandum;
- you have had an opportunity to request and to review, and you have received, any additional information that you need from us;
- you have not relied upon the Initial Purchasers or any person affiliated with the Initial Purchasers in connection with your investigation of the accuracy of such information or your investment decision;
- this offering memorandum relates to an offering that is exempt from registration under the Securities Act and may not comply in important respects with the rules of the SEC that would apply to an offering document relating to a public offering of securities; and
- no person has been authorized to give information or to make any representation concerning us, this offering or the notes, other than as contained in this offering memorandum in connection with an investor's examination of us and the terms of this offering.

The distribution of this offering memorandum and the offering and sale of the notes in certain jurisdictions may be restricted by law. We and the Initial Purchasers require persons in whose possession this offering memorandum comes to inform themselves about and to observe any such restrictions. This offering memorandum does not constitute an offer of, or an invitation to purchase, any of the notes in any jurisdiction in which such offer or invitation would be unlawful.

Neither we nor the Initial Purchasers are providing you with any legal, business, tax or other advice in this offering memorandum. You should consult with your own advisors as needed to assist you in making your investment decision and to advise you whether you are legally permitted to purchase the notes.

Neither we nor the Initial Purchasers are making any representation to any purchaser of the notes regarding the legality of an investment in the notes by such purchaser under any legal investment or similar laws or regulations. You must comply with all laws that apply to you in any place in which you buy, offer or sell any notes or possess this offering memorandum. You must also obtain any consents or approvals that you need in order to purchase any notes. We and the Initial Purchasers are not responsible for your compliance with these legal requirements.

None of the trustee, the security trustee, the paying agent or the registrar have participated in the preparation of this offering memorandum and such parties assume no responsibility for its content. Such parties have not independently verified the information contained in this offering memorandum. Accordingly, no representation, warranty or undertaking, express or implied, is made, and no responsibility or liability is accepted, by such parties. Such parties disclaim any responsibility to advise prospective purchasers of any notes of the risks and investment considerations associated with a purchase of notes as they may exist at the date hereof or from time to time thereafter.

The notes are subject to restrictions on resale and transfer and may not be transferred or resold except as permitted under the Securities Act, applicable securities laws and as described under "Transfer Restrictions." By purchasing any notes, you will be deemed to have made certain acknowledgments, representations, warranties and agreements as described in that section of this offering memorandum. You may be required to bear the financial risks of investing in the notes for an indefinite period of time.

This offering memorandum contains summaries of certain documents, but reference is made to the actual documents for complete information. All such summaries are qualified in their entirety by such reference. Copies of documents referred to herein will be made available to prospective investors upon request to us or the Initial Purchasers.

We expect that delivery of the notes will be made against payment therefor on or about March 3, 2011, which will be the fifth business day following the date of the pricing of the notes (such settlement cycle being herein referred to as “T+5”). Under Rule 15c-6-1 under the U.S. Securities Exchange Act of 1934, as amended, or Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade notes on the date of pricing or the next four succeeding business days will be required, by virtue of the fact that the notes initially will settle T+5, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of notes who wish to trade notes on the date of pricing or the next four succeeding business days should consult their own advisor.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

Currency Presentation and Exchange Rate Information

In this offering memorandum: (i) £, sterling, or pound sterling refer to the lawful currency of the United Kingdom; (ii) \$ or U.S. dollar refer to the lawful currency of the United States; and (iii) € or euro refer to the lawful currency of participating member states of the European Union.

The following table sets forth, for the periods indicated, the period end, average, high and low exchange rates, as published by Bloomberg, of U.S. dollars expressed as pound sterling. The rates below may differ from the actual rates used in the preparation of our consolidated financial statements and other financial information appearing in this offering memorandum. Our inclusion of the exchange rates is not meant to suggest that the pound sterling amounts actually represent such U.S. dollar amounts or that such amounts could have been converted into U.S. dollars at any particular rate, if at all.

<u>Year ended December 31,</u>	<u>Exchange rate at end of period</u>	<u>Average exchange rate during period(1)</u>	<u>Highest exchange rate during period</u>	<u>Lowest exchange rate during period</u>
		(U.S. dollars per pound sterling)		
2008	1.4593	1.8524	2.0335	1.4392
2009	1.6170	1.5670	1.6989	1.3753
2010	1.5612	1.5458	1.6362	1.4334

(1) The average of the exchange rates on the last business day of each month during the applicable period.

<u>Month and Year</u>	<u>Highest exchange rate during the month</u>	<u>Lowest exchange rate during the month</u>
	(U.S. dollars per pound sterling)	
January 2011	1.6014	1.5473
February 2011 (through February 18, 2011)	1.6253	1.6007

On February 18, 2011, the exchange rate was \$1.6253 per £1.00.

Fluctuations in the exchange rate between the pound sterling and the U.S. dollar in the past are not necessarily indicative of fluctuations that may occur in the future.

Where You Can Find More Information

Virgin Media Inc. is subject to the information and reporting requirements of the Exchange Act, and, in accordance with the Exchange Act, it files annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document that Virgin Media Inc. files at the Public Reference Room of the SEC at 100 F Street, NE, Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at (800) SEC-0330. You may inspect such filings on the internet website maintained by the SEC at www.sec.gov. You may also consult reports and other information about us that we file pursuant to the rules of the London Stock Exchange.

Documents Incorporated by Reference

We are incorporating by reference certain documents that we file with the SEC. This means that we can disclose important business, financial and other information to you by referring you to other documents separately filed with the SEC. The information in the documents incorporated by reference is considered to be part of this offering memorandum. Information in documents that we file with the SEC after the date of this offering memorandum and that are incorporated or deemed to be incorporated by reference into this offering memorandum will automatically update and, where applicable, supersede information in this offering memorandum. We incorporate by reference the documents listed below and any future filings Virgin Media Inc. may make with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act prior to the termination of this offering.

We are incorporating by reference Virgin Media's Annual Report on Form 10-K for the year ended December 31, 2010, as filed on February 22, 2011.

We are also incorporating by reference those portions of Virgin Media's definitive Proxy Statement for its 2010 Annual Meeting of Stockholders, as filed on April 29, 2010, which were incorporated by reference into Part III of Virgin Media's Annual Report on Form 10-K for the year ended December 31, 2009, as filed on February 26, 2010.

We are not incorporating by reference any documents or information deemed to have been furnished and not filed in accordance with SEC rules.

You may request a copy of the information incorporated in this offering memorandum by reference, at no cost, by writing or telephoning Virgin Media's office of Investor Relations:

Virgin Media Inc.
909 Third Avenue, Suite 2863
New York, New York 10022
United States
Attention: Investor Relations
Telephone: +1 (212) 906-8447 or +44 (0) 2072 995479

For general inquiries concerning us please call:
+1 (212) 906-8447

You may also obtain a copy of these filings from our website at www.virginmedia.com. The investor relations section of our website can be accessed under the heading "About Virgin Media—Investors Information." The information on our website or any other website referenced in this offering memorandum is not incorporated by reference and should not be considered a part of this offering memorandum.

You should rely only upon the information provided in this offering memorandum or incorporated by reference herein. We have not authorized anyone to provide you with different information. You should not assume that the information in this offering memorandum or any document incorporated by reference is accurate as of any date other than that on the front cover of the document.

SEC Review

In the course of review by the SEC of the registration statement for the exchange offer or the resale of the notes and the guarantees, which we have agreed to make, we may be required to make changes to the description of our business and other information and financial data included or incorporated by reference in this offering memorandum. Any such changes could be material.

Forward-Looking Statements

Various statements contained in this document constitute “forward-looking statements” as that term is defined under the Private Securities Litigation Reform Act of 1995. Words like “believe,” “anticipate,” “should,” “intend,” “plan,” “will,” “expects,” “estimates,” “projects,” “positioned,” “strategy,” and similar expressions identify these forward-looking statements, which involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements or industry results to be materially different from those contemplated, projected, forecasted, estimated or budgeted, whether expressed or implied, by these forward-looking statements. These factors, among others, include the following:

- the ability to compete with a range of other communications and content providers;
- the effect of rapid and significant technological changes on our businesses;
- the effect of a decline in fixed line telephony usage and revenues;
- the ability to maintain and upgrade our networks in a cost-effective and timely manner;
- possible losses of revenues or customers due to systems failures;
- the ability to control unauthorized access to our network;
- our reliance on third-party suppliers and contractors to provide necessary hardware, software or operational support;
- our reliance on our use of the “Virgin” name and logo and any adverse publicity generated by other users of the “Virgin” name and logo;
- the ability to manage customer churn;
- the ability to provide attractive programming at a reasonable cost;
- general economic conditions;
- the ability to implement our restructuring plan successfully and realize the anticipated benefits;
- currency and interest rate fluctuations;
- our reliance on third parties to distribute our mobile telephony products;
- the functionality or market acceptance of new products;
- tax risks;
- our reliance on Everything Everywhere to carry our mobile voice and non-voice services;
- the ability to effectively manage complaints, litigation and adverse publicity;
- our ability to retain key personnel;
- changes in laws, regulations or governmental policy;
- capacity limits on our network;
- the ability to fund debt service obligations and refinance our debt obligations;
- the ability to comply with restrictive covenants in our indebtedness agreements; and
- Virgin Media’s dependence on cash flow from subsidiaries.

As a consequence, our current plans, anticipated actions and future financial condition, results of operations and cash flows, as well as the anticipated development of the industry in which it operates, may differ from those expressed in any forward-looking statements made by us or on our behalf. We urge you to read this offering memorandum, including the sections entitled “Risk Factors” and elsewhere in this offering memorandum for a more complete discussion of the factors that could affect our future performance and the industry in which it operates. These factors and this cautionary statement expressly qualify all forward-looking statements.

We do not intend to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. All subsequent written or oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements contained throughout this offering memorandum. As a result of these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements as a prediction of actual results or otherwise.

In certain cases, we have made statements in this offering memorandum regarding our industry and our position in the industry based on our experience and our own investigation of market conditions. We cannot assure you that any of these assumptions are accurate or correctly reflect our position in the industry.

Summary

This summary highlights information contained elsewhere, or incorporated by reference, in this offering memorandum. Because it is a summary, it does not contain all of the information that you should consider before investing in our securities. You should read this entire offering memorandum and the documents incorporated by reference herein carefully, including the section entitled “Risk Factors,” and the financial statements and related notes to those financial statements, before making an investment decision. In this offering memorandum, references to the “Issuer” are to Virgin Media Secured Finance PLC; references to the “guarantors” are to the guarantors in respect of the notes, which are listed on Schedule I of this offering memorandum; and references to the “company,” the “group,” “Virgin Media,” “we,” “us” and “our,” and all similar references, are to Virgin Media Inc. and all of its consolidated subsidiaries, unless otherwise stated or the context otherwise requires.

Our Company

We are a leading entertainment and communications business, being a “quad-play” provider of broadband internet, television, mobile telephony and fixed line telephony services that offer a variety of entertainment and communications services to residential and commercial customers throughout the U.K. We are one of the U.K.’s largest providers of residential broadband internet, pay television and fixed line telephony services by number of customers. We own and operate cable networks that pass approximately 13 million homes in the U.K. and provided service to approximately 4.8 million customers on our cable network as of December 31, 2010. We believe our advanced, deep fiber access network enables us to offer faster and higher quality broadband services than our digital video subscriber line, or DSL, competitors. As a result, we provide our customers with a leading next generation broadband service and one of the most advanced television on-demand services available in the U.K. market. We are also one of the U.K.’s largest mobile virtual network operators by number of customers, providing mobile telephone service to approximately 1.9 million prepaid mobile customers and approximately 1.2 million contract mobile customers over third party networks. As of December 31, 2010, approximately 63.0% of residential customers on our cable network were “triple-play” customers, receiving broadband internet, television and fixed line telephone services from us, and approximately 11.8% were “quad-play” customers.

In addition, we provide a complete portfolio of voice, data and internet solutions to businesses, public sector organizations and service providers in the U.K. through Virgin Media Business (formerly ntl: Telewest Business). We also have an interest in the UKTV television channels through our joint ventures with BBC Worldwide.

Disposals

On June 4, 2010, we announced the sale to British Sky Broadcasting Limited, or BSkyB, and Kestrel Broadcasting Limited (a wholly-owned subsidiary of BSkyB), of our television channel business known as Virgin Media Television, or Virgin Media TV. Virgin Media TV’s operations comprised Virgin Media Television Limited and Virgin Media Television Rights Limited and several channel businesses, which have been treated in the consolidated financial statements as discontinued operations. On the same day, we entered into new long term carriage agreements with BSkyB, pursuant to which some of BSkyB’s basic channels, the newly acquired Virgin Media TV channels and BSkyB’s sports and movie channels in standard definition will continue to be distributed on our cable television service. The carriage agreements also provide for the distribution of BSkyB’s basic channels in high definition and a selection of premium sport and movie channels in high definition on our cable television service. Our internal reporting structure and the related financial information used by management and the chief operating decision maker reflect changes we have made after the announcement of the sale of Virgin Media TV. Following this announcement, we have two reporting segments, Consumer and Business, as described below:

- Consumer (84.6% of our 2010 revenue): Our Consumer segment includes the distribution of television programming over our cable network and the provision of broadband and fixed line telephone services to

residential consumers, both on and off our cable network. Our Consumer segment also includes our mobile telephony and mobile broadband operations, provided through Virgin Mobile.

- Business (15.4% of our 2010 revenue): Our Business segment includes the voice and data telecommunication and internet solutions services we provide through Virgin Media Business to businesses, public sector organizations and service providers.

Launch of TiVo

In December 2010, we launched TiVo set-top boxes (with associated software, including middleware), following a strategic partnership with TiVo Inc., or TiVo, in 2009 to develop a next generation set-top box which provides converged television and broadband internet capabilities. Under the agreement with TiVo, TiVo will become the exclusive provider of user interface software for our next generation set-top boxes and we will become the exclusive distributor of TiVo services and technology in the U.K. This is a “next generation” entertainment set-top box which brings together television, on-demand and web services through a single set-top box and unique content discovery and personalization tools. The Virgin Media TV powered by TiVo service is being rolled out to customers during 2011.

Financing

On January 19, 2010, we issued approximately £1.5 billion equivalent aggregate principal amount of senior secured notes. The notes were issued by our wholly owned subsidiary Virgin Media Secured Finance PLC in two tranches: \$1.0 billion of 6.5% senior secured notes due 2018 and £875 million of 7.0% senior secured notes due 2018. The net proceeds from the issuance of these senior secured notes were used to prepay a portion of the outstanding loans under our old senior credit facility. The senior secured notes rank pari passu with our senior credit facility and, subject to certain exceptions, share in the same guarantees and security as granted in favor of our senior credit facility.

On March 16, 2010, we entered into a senior credit facility with lenders under which the lenders agreed to make available to certain subsidiaries of the Company a term loan A facility, or Tranche A, and a revolving credit facility, or the RCF. On April 12, 2010, a term loan B facility, or Tranche B, was added to the senior credit facility by way of an accession deed between Virgin Media Investment Holdings Limited and Deutsche Bank AG, London Branch. Tranche B has been syndicated to a group of lenders. On April 19, 2010, we drew down an aggregate principal amount of £1,675 million under the senior credit facility and applied the proceeds towards the repayment in full of all amounts outstanding under our old senior credit facility dated March 3, 2006 (as amended and restated from time to time) as at the draw down date. On February 15, 2011, we further amended our senior credit facility to increase operational flexibility.

Capital Structure Optimization

On July 28, 2010, we announced our intention to undertake a range of capital structure optimization actions. This capital structure optimization program is expected to include the application of, in aggregate, up to £700 million, in part towards repurchases of up to £375 million of our common stock until August 2011 and in part towards transactions relating to our debt and convertible debt, including related derivative transactions and the conversion hedges described below. On the same date, we launched a \$194 million (or £122.5 million) accelerated stock repurchase program as part of our capital structure optimization plan. This accelerated stock repurchase program was completed on August 27, 2010.

On October 27, 2010, we executed conversion hedges with several hedge counterparties relating to our \$1.0 billion aggregate principal amount of 6.50% convertible senior notes due 2016, issued pursuant to an indenture dated as of April 16, 2008. These transactions relate to 90% of the aggregate principal amount of the convertible senior notes and are intended to offset a portion of the dilutive effects that would potentially be associated with

conversion of the convertible senior notes at maturity, by raising the stock price at which we could incur economic dilution from \$19.22 per share, the initial conversion price of the convertible senior notes, to \$35.00 per share.

During the year ended December 31, 2010, we repurchased approximately 9.3 million shares of common stock, at an average purchase price per share of \$20.78 through the accelerated stock repurchase program mentioned above for an aggregate purchase price of \$194 million (or £122.5 million), and 2.3 million shares of common stock, at an average purchase price per share of \$26.82 through an open market repurchase program for an aggregate purchase price of \$61.7 million (or £39.0 million). The shares of common stock acquired in connection with these programs have been cancelled. The remaining amount authorized under this plan was £213.5 million (or \$333.0 million based on the exchange rate at December 31, 2010).

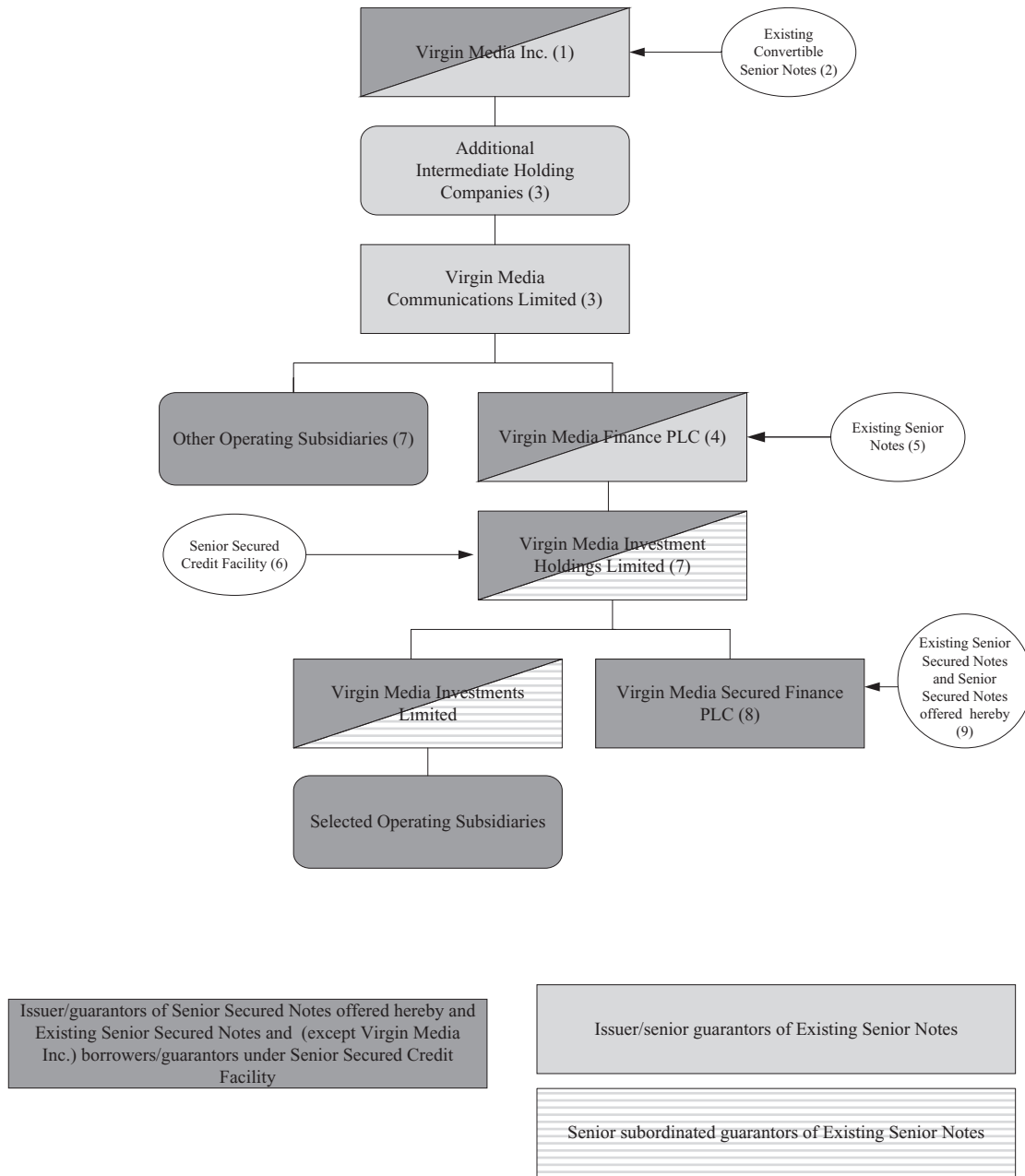
Strategic Objectives

Our strategic objectives in 2011 revolve around exploiting our superior network infrastructure to offer differentiated products and services while retaining strong cost control and financial discipline. We will also be placing more emphasis on cross-selling mobile services to our cable customers and seeking to grow our Business segment revenues through a focus on managed data services.

Virgin Media Secured Finance PLC is a public limited company organized under the laws of England and Wales which was incorporated on December 18, 2009. Virgin Media Inc. is a Delaware corporation. Our group's principal executive offices are located at 909 Third Avenue, Suite 2863, New York, New York 10022, and our telephone number at that address is +1 (212) 906-8447. Our website is located at www.virginmedia.com. The information on our website is not part of this offering memorandum.

Corporate Structure Chart

The following diagram sets forth our simplified corporate structure and assumes the completion of the note offering. This is a condensed chart and it does not show all of our operating and holding companies.



- (1) Virgin Media Inc. will provide a full and unconditional unsecured guarantee of the notes on a senior basis, as it currently provides for the existing senior secured notes. The senior guarantee for the existing senior secured notes is, and for the notes offered hereby will be, effectively subordinated to any future secured indebtedness of Virgin Media Inc. to the extent of the value of the assets securing such secured indebtedness.

Virgin Media Inc. has no significant assets of its own other than investments in its subsidiaries. Virgin Media Inc. will not be subject to the restrictive covenants under the indenture governing the notes.

- (2) Virgin Media Inc. is the issuer of our 6.50% U.S. dollar convertible senior notes due 2016.
- (3) The entities which we refer to as the intermediate holding companies are Virgin Media Group LLC, Virgin Media Holdings Inc., Virgin Media (UK) Group, Inc. and Virgin Media Communications Limited. These entities are guarantors (on a senior basis) of our existing senior notes due 2016 and 2019, but will not guarantee the notes offered hereby nor be subject to the covenants under the indenture governing the notes.
- (4) Virgin Media Finance PLC is a holding company with no significant assets of its own other than its investments in its subsidiary. Virgin Media Finance PLC is the issuer of our existing senior notes due 2016 and 2019 and a guarantor (on a senior basis) of our senior credit facility. Virgin Media Finance PLC will guarantee the notes offered hereby and also guarantees the existing senior secured notes due 2018 on a senior basis but will not be subject to the covenants under the indenture governing the notes. Virgin Media Finance PLC will grant liens over substantially all of its assets for the benefit of the holders of the notes offered hereby, and has granted security for the benefit of the holders of the existing senior secured notes.
- (5) The existing senior unsecured notes comprise 9.125% U.S. dollar senior notes due 2016, 9.50% U.S. dollar senior notes due 2016, 9.50% Euro senior notes due 2016, 8.375% U.S. dollar senior notes due 2019 and 8.875% Sterling senior notes due 2019 and are senior unsecured obligations of Virgin Media Finance PLC. The existing senior unsecured notes benefit from senior subordinated unsecured guarantees of Virgin Media Investment Holdings Limited, or VMIH, and Virgin Media Investments Limited and are guaranteed on a senior unsecured basis by Virgin Media Inc. and the intermediate holding companies.
- (6) Our senior credit facility has the benefit of full and unconditional senior secured guarantees granted by VMIH and certain of its subsidiaries, and certain other operating companies which are subsidiaries of Virgin Media Inc. but not of VMIH. The facility is secured by liens over substantially all of their assets, in addition to a full and unconditional senior secured guarantee from Virgin Media Finance PLC, secured by liens over substantially all of its assets. See “Description of Other Debt—Senior Credit Facility” and “Description of the Intercreditor Deeds—Group Intercreditor Deed.”
- (7) The notes offered hereby will have the benefit of full and unconditional senior secured guarantees granted by VMIH and certain of its subsidiaries, and certain other operating companies which are subsidiaries of Virgin Media Inc. but not of VMIH. The notes will be secured over the same assets that secure our senior credit facility and the existing senior secured notes and will share in any enforcement proceeds on a pari passu basis, subject to certain exceptions. See “Description of Notes—Security for the Notes—Limitations on the Collateral.” The guarantees will be senior secured obligations of these entities, ranking equally in right of payment with all of their existing and future senior indebtedness. Each of these entities will be subject to the restrictive covenants under the indenture governing the notes. See “Description of Notes—Note Guarantees” and “Description of the Intercreditor Deeds—Group Intercreditor Deed.”
- (8) Virgin Media Secured Finance PLC is a finance subsidiary with no significant assets of its own other than its intercompany loan to VMIH advancing the proceeds of the notes offered hereby and of the existing senior secured notes.
- (9) The existing senior secured notes comprise 6.50% U.S. dollar senior secured notes due 2018 and 7.00% Sterling senior secured notes due 2018. The existing senior secured notes are senior secured obligations of Virgin Media Secured Finance PLC, and benefit from security and guarantees which are substantially similar to the security and guarantees granted in respect of our senior credit facility. The notes offered hereby will also be senior secured obligations of Virgin Media Secured Finance PLC, and will also benefit from security and guarantees which will be substantially similar to the security and guarantees granted in respect of our senior credit facility. See “Description of Notes—Note Guarantees” and “Description of Notes—Security for the Notes.”

The Offering

Issuer	Virgin Media Secured Finance PLC
Notes Offered	<p>\$500,000,000 aggregate principal amount of 5.25% Senior Secured Notes due 2021.</p> <p>£650,000,000 aggregate principal amount of 5.50% Senior Secured Notes due 2021.</p>
Maturity Date	January 15, 2021.
Interest	<p>5.25% per year on the principal amount of the dollar notes.</p> <p>5.50% per year on the principal amount of the sterling notes.</p> <p>Interest on the notes will be payable semi-annually in arrears in cash on January 15 and July 15 of each year, beginning July 15, 2011. Interest will accrue from March 3, 2011.</p>
Denominations	Each Dollar Note will have a minimum denomination of \$200,000 or integral multiples of \$1,000 in excess thereof. Each Sterling Note will have a minimum denomination of £100,000 or integral multiples of £1,000 in excess thereof.
Ranking	The notes will be senior secured indebtedness of the Issuer, will rank equally in right of payment with all existing and future senior indebtedness of the Issuer, including its guarantee of our senior credit facility and the existing senior secured notes, and will be senior in right of payment to all existing and future subordinated indebtedness of the Issuer. The notes will, subject to certain exceptions, be secured over the same assets that secure our senior credit facility and the existing senior secured notes and will share in any enforcement proceeds on a pari passu basis, and will be effectively senior to existing and future senior unsecured indebtedness of the Issuer to the extent of the value of the assets securing the notes.
Investment Grade Status—Impact . . .	<p>We have been informed by the rating agencies Fitch, Moody's and Standard & Poor's that their ratings for the notes will be an investment grade rating that would meet the level required under "Description of Notes—Covenant Suspension and Release of Guarantees and Collateral." Ratings are not a recommendation to purchase, hold or sell securities and may be changed, suspended or withdrawn at any time. The ratings currently assigned to us are dependent upon economic conditions and other factors affecting credit risk that are outside our control. Any adverse change in our credit ratings could adversely affect the trading price for the notes. Detailed explanations of the ratings may be obtained from the rating agencies.</p> <p>As a result of these investment grade ratings for the notes, most of the operating covenants governing the notes will be suspended so long as at least two of Fitch, Moody's or Standard & Poor's continue to provide an investment grade rating for the notes and no default or event of default under the indenture has occurred or is continuing. See "Description of Notes—Certain Covenants—During the Suspension</p>

Period” for the covenants that will apply after the closing date and during the suspension period. As a result, holders of the notes will have less protection under the operating covenants during the suspension period. See “Description of Notes—Certain Covenants—During the Reinstatement Period” for the covenants that will apply during a reinstatement period.

As a result of the investment grade rating for the notes, during the suspension period the Company will be able to release the collateral securing the notes and the note guarantors from many of the note guarantees if the same collateral and guarantees are released that support the senior credit facility, the existing senior secured notes and any other pari passu secured obligations that are outstanding at that time. As a result, the notes could become unsecured and have the support of limited guarantees at a later date.

Guarantors The notes will benefit from full and unconditional senior guarantees granted by Virgin Media Inc., Virgin Media Finance PLC, VMIH and certain of its subsidiaries, and certain other operating companies which are subsidiaries of Virgin Media Inc. but not of VMIH. See “Description of Notes—Note Guarantees.”

The purchase agreement in respect of the notes will provide that we will procure that each of the guarantors shall provide guarantees of the notes within 10 days of the date the notes are issued, *provided* that guarantors representing at least 75% of the EBITDA of the Issuer and the restricted subsidiaries on a combined basis for the fiscal year ended December 31, 2009 shall have provided guarantees on or before the date the notes are issued.

The guarantees may be released for as long as the notes are rated investment grade by any two of Fitch, Moody’s or Standard & Poor’s, provided that at such time no default or event of default has occurred and is continuing and the guarantees supporting other secured debt are released.

Security The notes will, subject to certain exceptions, be secured over the same assets that secure our senior credit facility and the existing senior secured notes and will share in any enforcement proceeds on a pari passu basis. Our senior credit facility requires that members of the bank group (which comprises VMIH and certain of its subsidiaries, and certain other operating companies which are subsidiaries of Virgin Media Inc. but not of VMIH) which generate not less than 80% of the consolidated operating cash flow of the bank group in any financial year guarantee the payment of all sums payable under our senior credit facility and grant security over all or substantially all of their assets, subject to permitted liens, to secure the payment of all sums payable under our senior credit facility. Assets that are included in the collateral package for our senior credit facility, but which would be excluded from the collateral package for the notes and the existing senior secured notes, would include the capital stock and other securities of a subsidiary (other than Virgin Media Investments

Limited and VMIH), to the extent that the inclusion of these assets in the collateral would require the provision of separate financial statements under Rule 3-16 of Regulation S-X under the Securities Act. This exclusion may affect many of our subsidiaries from time to time, depending upon the book value or fair market value of these assets. The purchase agreement in respect of the notes will provide that we will procure that each of the guarantors shall grant security over its assets to secure payment of the notes within 10 days of the date the notes are issued, *provided* that guarantors representing at least 50% of the EBITDA of the Issuer and the restricted subsidiaries on a combined basis for the fiscal year ended December 31, 2009 shall have granted security over their assets to secure payment of the notes on or before the date the notes are issued. The security trustee, pursuant to the terms of our group intercreditor deed, controls the security and any enforcement actions in respect thereof and will generally take its instructions from the lenders under our senior credit facility or, upon repayment in full of that facility, any refinancing facility designated by us. If, for a 60 day period, the aggregate outstanding principal amount and undrawn uncanceled commitments under our senior credit facility (or, upon repayment in full of that facility, any refinancing facility designated by us) is (i) less than £1 billion and (ii) less than 60% of aggregate outstanding principal amount and undrawn uncanceled commitments under all senior secured debt, then control of any enforcement actions with respect to the security will pass to the holders of the majority of all outstanding pari passu senior secured debt. See “Description of Notes—Security for the Notes” and “Description of the Intercreditor Deeds—Group Intercreditor Deed.”

The collateral may be released for as long as the notes are rated investment grade by any two of Fitch, Moody’s or Standard & Poor’s, provided that at such time no default or event of default has occurred and is continuing and the collateral supporting other secured debt is released.

Additional Amounts Subject to limited exceptions, the Issuer and each guarantor of the notes will make all payments in respect of the notes, including principal and interest payments, without deduction or withholding for or on account of any present or future taxes or other governmental charges in the United Kingdom, the United States or any other relevant taxing jurisdiction, unless it is obligated by law to deduct or withhold taxes or governmental charges. If the Issuer or any guarantor is obligated by law to deduct or withhold taxes or government charges in respect of the notes or the guarantees, subject to various exceptions, the Issuer or the relevant guarantor, as applicable, will pay to the holders of the notes additional amounts so that the net amount received by the holders after any deduction or withholding will not be less than the amount the holders would have received if these taxes or government charges had not been withheld or deducted.

Optional Redemption for Tax

Reasons If the Issuer becomes obligated to pay any additional amounts as a result of any change in law of any relevant taxing jurisdiction which becomes effective after the date on which the notes are issued, the Issuer may redeem the notes at its option in whole, but not in part, at any time at a price equal to 100% of the principal amount of the notes, plus any accrued and unpaid interest and additional amounts to the date of redemption.

Optional Redemption with Make-

Whole The Issuer may redeem each series of the notes in whole or in part at any time at a redemption price equal to the principal amount of the notes to be redeemed, plus the applicable “make-whole” premium described in this offering memorandum, plus any accrued and unpaid interest and additional amounts to the redemption date.

Change of Control If a change of control occurs, as defined in the indenture governing the notes, the Issuer will be required to make an offer to repurchase the notes at 101% of their principal amount, plus any accrued and unpaid interest and additional amounts to the date of repurchase. For more details, see “Description of Notes—Repurchase at the Option of the Holders—Change of Control.”

Certain Covenants We have been informed by Fitch, Moody’s and Standard & Poor’s that their ratings for the Notes will be an investment grade rating that would meet the level required under “Description of Notes—Covenant Suspension and Release of Guarantees and Collateral.” So long as at least two of Fitch, Moody’s and Standard & Poor’s continue to provide an investment grade rating for the notes and no default or event of default under the indenture is continuing, the indenture governing the notes and the guarantees of the notes will restrict the ability of VMIH and its subsidiaries and certain other guarantors to:

- create liens;
- merge or consolidate or transfer all or substantially all of its assets; and
- materially adversely impair the liens granted with respect to the collateral.

See “Description of Notes—Certain Covenants—During the Suspension Period” for the covenants that will apply after the closing date and during the suspension period.

If at any time, any two of Fitch, Moody’s or Standard & Poor’s assigns the notes a rating below investment grade or an event of default has occurred or is continuing, then in addition to the above covenants, the indenture governing the notes and the guarantees of the notes will also restrict the ability of VMIH and its subsidiaries and certain other guarantors to:

- incur or guarantee additional indebtedness;

- pay dividends or make other distributions, or redeem or repurchase equity interests or subordinated obligations;
- make investments;
- sell assets, including the capital stock of subsidiaries;
- enter into agreements that restrict the restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- enter into transactions with affiliates; and
- enter into sale/leaseback transactions.

See "Description of Notes—Certain Covenants—During the Reinstatement Period" for the additional covenants that will apply during a reinstatement period.

Governing Law	The notes, the guarantees of the notes, and the indenture will be governed by the laws of the State of New York. The security documents will be governed by the laws of England and Wales, Scotland and the State of Delaware.
Trustee	The Bank of New York Mellon.
Principal Paying Agent and Registrar	The Bank of New York Mellon.
Security Trustee	Deutsche Bank AG, London Branch.
Luxembourg Listing Agent, Paying Agent and Transfer Agent	The Bank of New York Mellon (Luxembourg), S.A.
Form of Notes	The notes will be issued initially in the form of one or more of each of dollar Rule 144A global notes, dollar Regulation S global notes, sterling Rule 144A global notes and sterling Regulation S global notes, which will represent the aggregate principal amount of notes being offered under this offering memorandum. The notes will be deposited with the applicable custodians for the book-entry depositaries. The book-entry depositaries will issue depositary interests in respect of the dollar global notes to The Depository Trust Company, or DTC, and in respect of the sterling global notes to Clearstream Banking S.A., or Clearstream, and/or Euroclear Bank S.A./N.V., or Euroclear, and will then record such interests in their books and records in the name of DTC's, Clearstream's or Euroclear's nominee, as the case may be. Ownership of book-entry interests in the depositary interests will be limited to persons who have accounts with DTC, Clearstream and/or Euroclear or persons who hold interests through these persons. Book-entry interests in the depositary interests will be shown on, and transfers will be effected only through, records maintained in book-entry form by DTC, Clearstream and/or Euroclear and their participants. See "Book-Entry Settlement and Clearance."

Exchange Offer; Registration

Rights We have agreed to offer to exchange the notes and guarantees for a new issue of substantially identical debt securities registered under the Securities Act. We have agreed to use our reasonable best efforts to file a registration statement in respect of an offer to exchange the notes and guarantees for a new issue of identical debt securities registered under the Securities Act not later than 365 days from the date of issue of the notes, and to cause such registration statement to be declared effective by the SEC not later than 395 days from the date of issue of the notes. See “Exchange Offer; Registration Rights.”

Transfer Restrictions We have not registered the notes under the Securities Act or the securities laws of any other jurisdiction. The notes are subject to certain transfer restrictions and may only be offered or sold by you pursuant to an exemption from the registration requirements of, or in transactions not covered by, the Securities Act. See “Transfer Restrictions.”

No Prior Market The notes will be new securities for which there is currently no market. Although the Initial Purchasers have informed us that they intend to make a market in the notes, they are not obligated to do so, and may discontinue market-making at any time without notice. Accordingly, we cannot assure you that a liquid market for the notes will develop or be maintained.

Listing The Issuer will make an application to list the notes on the Official List of the Luxembourg Stock Exchange and for admission of the notes to trading on the Euro MTF market of the Luxembourg Stock Exchange. There is no assurance that this listing will be obtained.

Use of Proceeds We estimate the net proceeds of this offering will be approximately £940 million, utilizing the exchange rate at February 18, 2011 of \$1.63 per £1.00, after deducting the Initial Purchasers’ discount and estimated offering expenses.

We intend to use the net proceeds of this offering to prepay a portion of our outstanding A and B tranches under our senior credit facility. The remainder of the net proceeds will be used for general corporate purposes. See “Use of Proceeds.”

Tax Considerations You are urged to consult your own tax advisors with respect to the U.S. federal, state, local and non-U.S. tax consequences of purchasing, owning and disposing of the notes. See “Material United States Federal Income Tax Considerations” and “Material United Kingdom Tax Considerations.”

Clearing Information *Rule 144A Notes:*

The CUSIP number assigned to the dollar denominated notes issued under Rule 144A is 92769X AE5 and the ISIN number is US92769XAE58.

The ISIN number assigned to the sterling denominated notes issued under Rule 144A is XS0597902260 and the common code is 059790226.

Regulation S Notes:

The CUSIP number assigned to the dollar denominated notes issued under Regulation S is G9372G AC2 and the ISIN number is USG9372GAC27.

The ISIN number assigned to the sterling denominated notes issued under Regulation S is XS0597901965 and the common code is 059790196.

Risk Factors

An investment in the notes involves a high degree of risk. You should carefully consider the information set forth under “Risk Factors” and all of the information included in, or incorporated by reference into, this offering memorandum before deciding to invest in the notes.

Summary Consolidated Financial Data

The following tables summarize our consolidated financial data for the periods presented. The summary consolidated financial data as of December 31, 2010, 2009 and 2008 and for each of the years ended December 31, 2010, 2009 and 2008 are derived from our audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2010 filed with the SEC on February 22, 2011. Our financial statements are prepared in accordance with generally accepted accounting principles in the United States. The reporting currency of our financial statements is U.K. pounds sterling. See “Currency Presentation and Exchange Rate Information.” You should read the following financial information together with the information under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements and the notes to those consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2010 filed with the SEC on February 22, 2011 and incorporated by reference into this offering memorandum.

	Year ended December 31,		
	2010	2009	2008
	(in millions of £'s)		
Statement of Operations Data:			
Revenue	3,875.8	3,663.9	3,655.0
Operating income (loss)(1)	321.9	132.0	(261.9)
Loss from continuing operations(1)	(169.2)	(350.3)	(827.4)

	As of December 31,		
	2010	2009	2008
	(in millions of £'s)		
Balance Sheet Data:			
Cash, cash equivalents and marketable securities	479.5	430.5	181.6
Working capital	(468.1)	(290.9)	(460.1)
Fixed assets, net	4,763.1	5,045.8	5,337.9
Total assets	8,833.2	9,190.0	9,933.3
Long term obligations	6,020.4	5,974.7	6,170.1
Shareholders' equity	1,264.6	1,491.3	2,016.2

(1) The operating loss and loss from continuing operations for the year ended December 31, 2008 include goodwill and intangible asset impairments of £362.2 million.

Risk Factors

An investment in the notes involves a high degree of risk. You should carefully consider the risks described below before deciding to invest in the notes. In assessing these risks, you should also refer to the other information included in, or incorporated by reference into, this offering memorandum, including the financial statements and related notes incorporated by reference. We also incorporate by reference the risk factors listed under Item 1A “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2010, as filed with the SEC on February 22, 2011. These risks and uncertainties are not the only ones we face. Additional risks and uncertainties that are not currently known to us or that we currently consider immaterial could also impair our business, financial condition, results of operations and our ability to make payments on the notes. Various statements in this offering memorandum, including the following risk factors, constitute forward-looking statements.

Risks relating to our business and industry

We operate in highly competitive markets which may lead to a decrease in our ARPU, increased costs, increased customer churn or a reduction in the rate of customer acquisition.

The markets for broadband internet, television, telephony and business services in which we operate are highly competitive. We face significant competition from established and new competitors in each of these markets, and believe that competition will intensify as technology evolves. For example, distribution of entertainment and other information over the internet, as well as through mobile phones and other devices and services such as the proposed YouView platform, continue to increase in popularity. These technological developments are increasing the number of media choices available to subscribers. In addition, continued consolidation within the media industry may permit more competitors to offer “triple-play” bundles of digital television, fixed line telephone and broadband services, or “quad-play” bundles including mobile telephone services. Consolidation by competitors even in some of our markets, such as the Everything Everywhere joint venture between Orange and T-Mobile, can create economies of scale that we do not benefit from. Many of our competitors are part of multi-national groups, and some may have substantially greater financial resources and benefit from greater economies of scale than we do.

In order to compete effectively, we may be required to reduce the prices we charge for our services or increase the value of our services without being able to recoup associated costs. In addition, some of our competitors offer services that we are unable to offer. Any increase in competitive pressures in our markets may lead to a decrease in our average revenue per user, or ARPU, increased costs, increased customer churn or a reduction in the rate of customer acquisition, which could have an adverse effect on our business, financial condition, results of operations and cash flows.

The sectors in which we compete are subject to rapid and significant changes in technology, and the effect of technological changes on our businesses cannot be predicted.

The broadband internet, television, telephony and business services sectors are characterized by rapid and significant changes in technology. Advances in current technologies, such as VoIP (over fixed and mobile technologies), 3D TV, mobile instant messaging (including both SMS and BBS), wireless fidelity, or WiFi, the extension of local WiFi networks across greater distances, or WiMax, long term evolution (LTE), internet protocol television, or the emergence of new technologies, may result in our core offerings becoming less competitive or render our existing products and services obsolete. We may not be able to develop new products and services at the same rate as our competitors (or at all) or keep up with trends in the technology market as well as our competitors (or at all) which could lead to a decrease in our ARPU, increased costs, increased customer churn or a reduction in the rate of customer acquisition, which could have an adverse effect on our business, financial condition, results of operations and cash flows.

The cost of implementing emerging and new technologies could be significant, and our ability to fund that implementation may depend on our ability to obtain additional financing. Similarly, the deployment of new

technologies in the spectrum frequencies in which we operate could have a material adverse effect on the existing services offered by us, with a consequential material adverse effect on our businesses.

Our fixed line telephony business is in decline and not likely to improve.

Demand for fixed line telephony is in decline, with the rate of decline in lines used by business nearly twice as high as that in the residential fixed telephony market. There is a trend for businesses to replace fixed line telephony with voice-over-internet-protocol, or VoIP, telephony, while residential customers are tending to migrate from fixed line to mobile telephony. However, there is no assurance that our fixed line customers will migrate to our mobile phones and we may eventually lose our fixed line customers to other providers of mobile telephone services. Such a migration could have a material adverse effect on our ARPU, results of operations and financial condition.

If we do not maintain and upgrade our networks in a cost-effective and timely manner, we could lose customers.

Maintaining an uninterrupted and high-quality service over our network infrastructure is critical to our ability to attract and retain customers, including business customers. Providing a competitive service level will depend in part on our ability to maintain and upgrade our networks in a cost-effective and timely manner. The maintenance and upgrade of our networks will depend upon, among other things, our ability to:

- modify network infrastructure for new products and services, including faster broadband speeds;
- install and maintain cable and equipment; and
- finance maintenance and upgrades.

If there is any reduction in our ability to replace network assets at the end of their useful lives or if there is any reduction in our ability to perform necessary maintenance on network assets, our networks may have an increased failure rate. This in turn could lead to increased customer churn which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

A failure in our network and information systems could significantly disrupt our operations, and a disruption or failure of such networks or systems may disrupt our business.

Certain network and information systems are critical to our business activities. Network and information systems-related events, such as theft, computer hackings, computer viruses, worms or other destructive or disruptive software, or other malicious activities, or power outages, gas build-up, fire, natural disasters, terrorist attacks, war or other similar events, could result in a degradation or disruption of our cable and non-cable services, excessive call volume to call centers or damage to our equipment and data. We do not have a company-wide disaster recovery plan, however, we continue to develop plans for key areas of risk in the business. For example, in 2009 we developed a business-wide continuity plan to manage significant disruptions to our business due to the threat of pandemic influenza.

Sustained or repeated system failures that interrupt our ability to provide services to our customers, prevent us from billing and collecting revenue due to us, or that otherwise prevent us from meeting our obligations to our customers in a timely manner, would adversely affect our reputation and result in a loss of customers and revenue. These network and information systems-related events could also result in significant expenditures to repair or replace the damaged networks or information systems or to protect them from similar events in the future. Further, any security breaches, such as misappropriation, misuse, penetration by viruses, worms or other destructive or disruptive software, leakage, falsification or accidental release or loss of information maintained in our information technology systems (or those of our business partners) and networks, including customer, personnel and vendor data, could damage our reputation, result in legal and/or regulatory action against us, and require us to expend significant capital and other resources to remedy any such security breach. The occurrence of any such network or information system-related events or security breaches could have a material adverse effect on our business and results of operations.

Unauthorized access to our network could result in a loss of revenue.

We rely on the integrity of our technology to ensure that our services are provided only to identifiable paying customers. During the course of 2009 and 2010, we upgraded the conditional access system which we use to encrypt pay television to our customers. However, increasingly sophisticated means of illicit piracy of television services are continually being developed, including in response to evolving technologies. Billing and revenue generation for our pay television services rely on the proper functioning of our encryption systems. While we continue to invest in measures to manage unauthorized access to our networks, any such unauthorized access to our cable television service would result in a loss of revenue, and any failure to respond to security breaches could raise concerns under our agreements with content providers, all of which could have a material adverse effect on our business and results of operations.

We rely on third-party suppliers and contractors to provide necessary hardware, software or operational support and are sometimes tied in to them in a way which could economically disadvantage us.

We rely on third-party vendors to supply us with a significant amount of customer equipment, hardware, software and operational support necessary to operate our network and systems and provide our services. In many cases, we have made substantial investments in the equipment or software of a particular supplier, making it difficult for us in the short term to change supply and maintenance relationships in the event that our initial supplier is unwilling or unable to offer us competitive prices or to provide the equipment, software or support that we require. If our suppliers and contractors seek to charge us prices that are not competitive, the ties we have to them may be such that we may be paying more than we have to for products and services in the short and even medium term.

We also rely upon a number of third-party contractors to construct and maintain our network and to install our equipment in customers' homes. Quality issues or installation or service delays relating to these contractors could result in liability, reputational harm or contribute to customer dissatisfaction, which could result in additional churn or discourage potential new customers.

We are also exposed to risks associated with the potential financial instability of our suppliers, some of whom have been adversely affected by the global economic downturn. If our suppliers were to discontinue certain products, were unable to provide equipment to meet our specifications or interrupt the provision of equipment or services to us, whether as a result of bankruptcy or otherwise, our business and profitability could be materially adversely affected.

Our marketing depends in significant part on the "Virgin" name and logo, but we do not own these.

We do not own the "Virgin" name and logo. We use the "Virgin" name and logo in connection with our corporate activities and the activities of our consumer and business operations under a 30-year license agreement with Virgin Enterprises Limited. The license agreement expires in April 2036, and we are obligated to pay a termination payment if the license is terminated early under certain circumstances. The license also requires us to meet certain customer service level requirements which may be difficult to achieve, particularly during periods of growth and change when such service levels may be adversely affected. If we fail to meet our obligations under the license agreement, this could lead to a termination of the license. If we lose the right to use the Virgin brand, we would need to rebrand the affected areas of our business, which could result in increased expenditures and increased customer churn which in turn could have a material adverse effect on our business and results of operations.

The "Virgin" brand is not under our control and the activities of the Virgin Group and other licensees could have a material adverse effect on the goodwill of customers towards us as a licensee.

The "Virgin" brand is integral to our corporate identity. We are substantially reliant on the general goodwill of consumers towards the "Virgin" brand. Consequently, adverse publicity in relation to the Virgin Group or its principals, particularly Sir Richard Branson, who is closely associated with the brand, or in relation to another

“Virgin” name licensee, could have a material adverse effect on our business. Similarly, any negative publicity generated by or associated with the Virgin Group or any other licensee of the “Virgin” name and logo could have a material adverse effect on our business and results of operations.

Our operating performance will depend, in part, on our ability to control customer churn.

Customer churn is a measure of customers who stop using our services and controlling churn is a key element of our operational performance. Our customer churn may increase as a result of:

- customers moving to areas where we cannot offer our superfast broadband and/or digital television, or DTV, services;
- the availability of competing services, some of which may, from time to time, be less expensive or technologically superior to those offered by us or offer content that we do not offer;
- interruptions to the delivery of services to customers over our network and poor fault management;
- a general reduction in the quality of our customer service; or
- a general deterioration in economic conditions that could lead to customers being unable or unwilling to pay for our services.

An increase in customer churn can lead to slower customer growth and a reduction in revenue which could have a material adverse effect on our business, results of operations and cash flows.

Our inability to obtain popular programming, or to obtain it at a reasonable cost, could potentially have a material adverse effect on the number of customers or reduce margins.

For the provision of television programs and channels distributed via our cable network, we enter into agreements with program providers, such as public and commercial broadcasters, or providers of pay or on demand television. We have historically obtained a significant amount of our premium programming and some of our basic programming and pay per view sporting events from BSkyB, one of our main competitors in the television services business. BSkyB is a leading supplier of programming to pay television platforms in the U.K. and is the exclusive supplier of some programming, including its Sky Sports channels and Sky Movies channels, which are the most popular premium subscription sports and film channels, respectively, available in the U.K.

Ofcom conducted an investigation into the pay TV market and, in its Pay TV Statement of March 31, 2010, imposed new license conditions on BSkyB that provide for a must offer obligation on Sky and that regulate, or set a fair, reasonable and non-discriminatory, or FRND requirement for, the price and terms of supply of certain Sky’s Sports Channels. While BSkyB (and others) have appealed the fact of the imposition of the license conditions, we (and others) have appealed that the intervention did not go far enough and we are seeking to overturn it.

We now buy BSkyB wholesale premium content on the basis of carriage agreements entered into on June 4, 2010, which provided for the wholesale distribution of BSkyB’s basic channels, and its premium sports and movies channels, on our cable TV service. This agreement provides for security of supply of Sky premium sports and movie channels until June 30, 2013 at which time we will need to negotiate a new commercial agreement pending the decision by Ofcom. However, for standard definition, or SD, we are still exposed to BSkyB changing the ratecard terms of supply on 60 days’ notice, and to wholesale price changes for Sky Sports 1 and 2 which can occur under Ofcom’s price regulation mechanism following changes to BSkyB’s own retail prices. Also, with regards to HD, BSkyB continues to offer the Sky Sports 3 and 4 HD channels exclusively to its digital satellite customers and not to us. Moreover, the launch of Sky Atlantic exclusively to its own retail customers on the satellite platform reflects the ongoing risk of Sky migrating attractive basic content to new channels that it is not contractually obliged to supply to us and then withholding supply or setting uneconomic terms for supply.

Other significant programming suppliers include the BBC, ITV, Channel 4, UKTV, Five, Viacom Inc., ESPN, Discovery Communications Inc. and Turner, a division of Time Warner Inc. Our dependence on these suppliers for television programming could have a material adverse effect on our ability to provide attractive programming at a reasonable cost. In addition, any loss of programs could negatively affect the quality and variety of the programming delivered to our customers. In addition, there is the risk that suppliers will become exclusive providers to other platforms, including BSkyB, which reduces our ability to offer the same or similar content to our customers. All of these factors could have a material adverse effect on our business and increase customer churn.

We may be adversely affected by a general deterioration in economic conditions.

Our ability to grow or maintain our business may be adversely affected by weakening global or domestic economic conditions, wavering consumer confidence, unemployment, tight credit and insurance markets, declines in global and domestic stock markets and other factors adversely affecting the global and domestic economy. In particular, the risks associated with certain segments of our business become more acute in periods of a slowing economy or recession. In addition, unfavorable events in the economy, including a deterioration in the credit and equity markets, could significantly affect consumer and business demand for our products, as consumers may delay purchasing decisions or reduce or reallocate their discretionary funds.

Our mobile services may be affected by an economic slowdown as customers reduce their expenditures on mobile phones and usage or consider a return to lower margin prepaid rather than contract accounts. Current cable customers may elect to downgrade their packages or move to other less costly providers. New customers may opt to take out our lower end broadband and TV packages rather than more expensive ones or may opt to become customers of less costly competitors.

We are also exposed to risks associated with the potential financial instability of our customers, suppliers, distributors and other third parties, many of whom may be adversely affected by a general economic downturn. Suppliers may also be more cautious in supplying goods to us and may request additional credit enhancements or more restrictive payment terms. While the impact of an economic slowdown on our business is difficult to predict, it could have a material adverse effect on our revenues and our cash flows.

We may be unable to implement our operational restructuring plan successfully and realize the anticipated benefits, and this could negatively affect our financial performance.

During the fourth quarter of 2008, we commenced the implementation of a restructuring plan aimed at driving further improvements in our operational performance and eliminating inefficiencies in order to create a fully-integrated, customer-focused organization. During the second quarter of 2010, we identified further savings through the expansion of the program and revised the estimated total costs and extended the completion date through the end of 2012. The restructuring process could cause an interruption, or loss, of momentum in the activities of one or more of our businesses and the loss of key personnel. The diversion of management's attention and any delays or difficulties incurred in connection with the restructuring activity could result in the disruption of our ongoing businesses or inconsistencies in our standards, controls, product offerings, level of customer service, procedures and policies that could negatively affect our ability to maintain relationships with customers, suppliers, employees and others with whom we have business dealings. The implementation of the plan will involve the incurrence of substantial operating and capital expenditures to achieve long term savings, including employee termination costs, lease and contract exit costs, purchases of fixed assets and other related expenses. Additional unanticipated costs may also be incurred. Although we expect that the elimination of costs, as well as the realization of efficiencies and other benefits related to the implementation of the plan, will offset the restructuring-related costs over time, this net benefit expected may not be achieved in the near term, or at all.

We are subject to currency and interest rate risks.

We are subject to currency exchange rate risks because substantially all of our revenues and operating expenses are paid in U.K. pounds sterling, but we pay interest and principal obligations with respect to a portion

of our indebtedness in U.S. dollars and euros. To the extent that the pound sterling declines in value against the U.S. dollar and the euro, the effective cost of servicing our U.S. dollar and euro-denominated debt will be higher. Changes in the exchange rate result in foreign currency gains or losses.

We are also subject to interest rate risks. As of December 31, 2010, we had interest determined on a variable basis on £1,675 million, or 28%, of our long term debt. An increase in interest rates of 1% would increase unhedged gross interest expense by approximately £16.7 million per year.

We also incur costs in U.S. dollars, euros and South African rand, in the ordinary course of our business, including for customer premise equipment and network maintenance services. Any deterioration in the value of the pound relative to the U.S. dollar, euro or the rand increases the effective cost of purchases made in these currencies as most of these exposures are not hedged.

We rely on third parties to distribute mobile telephony products and procure customers for our services.

Our ability to distribute our mobile telephony products and services depends, to a large extent, on securing and maintaining agreements with a number of third party distributors and increasing our retail presence. These distributors also procure customers for our competitors and, in some cases, for themselves. For example, one of our third-party distributors also sells its own broadband and telephone services. Additionally, certain distributors may also receive incentives to encourage potential customers to subscribe to our competitors' services rather than our own. Our agreements with third-party distributors generally allow for termination of the relationship by either party, with 30 days' prior notice. We are also exposed to risks associated with the potential financial instability of third-party distributors, some of whom may be adversely affected by the general economic downturn. While we are currently expanding our portfolio of Virgin Media branded retail outlets, our stores may not perform successfully. Accordingly, if any of our distribution partners were to reduce or cease their operations, due to financial difficulties or otherwise, or if we fail to maintain our key distribution relationships, our results of operations may be materially adversely affected.

There is no assurance that new products we may introduce will achieve full functionality or market acceptance.

Our strategy requires that we roll-out new products and services, such as the continued roll out of broadband download speeds of up to 100 Mb across parts of our network, our current trials of broadband download speeds of up to 200 Mb and upstream speeds of up to 10 Mb in limited geographic areas and our roll out in 2011 of a next generation set-top box and related services with TiVo. We are also increasing the amount of content available via our mobile telephony platform. There is no assurance that any new product or service that we may develop will perform as expected or gain market acceptance, which could have a material adverse effect on our results of operations.

We are subject to tax in more than one tax jurisdiction and our structure poses various tax risks.

We are subject to taxation in multiple jurisdictions, in particular, the U.S. and the U.K. Our effective tax rate and tax liability will be affected by a number of factors in addition to our operating results, including the amount of taxable income in particular jurisdictions, the tax rates in those jurisdictions, tax treaties between jurisdictions, the manner in which and extent to which we transfer funds to and repatriate funds from our subsidiaries, accounting standards and changes in accounting standards, and future changes in the law. As we operate in more than one tax jurisdiction and may therefore incur losses in one jurisdiction that cannot be offset against income earned in a different jurisdiction, we may pay income taxes in one jurisdiction for a particular period even though on an overall basis we incur a net loss for that period.

We have a U.S. holding company structure in which substantially all of our operations are conducted in U.K. subsidiaries that are owned by one or more members of a U.S. holding company group. As a result, although we do not expect to have current U.K. tax liabilities on our operating earnings for at least the medium term, our operations may give rise to U.S. tax on "Subpart F" income generated by our U.K. subsidiaries, or on

repatriations of cash from our U.K. operating subsidiaries to the U.S. holding company group. While we believe that we have substantial U.S. tax basis in some of our U.K. subsidiaries which may be available to avoid or reduce U.S. tax on repatriation of cash from our U.K. subsidiaries, there can be no assurance that the Internal Revenue Service, or IRS, will not seek to challenge the amount of that tax basis or that we will be able to utilize such basis under applicable tax law. As a result, although in accordance with applicable law we will seek to minimize our U.S. tax liability as well as our overall worldwide tax liability, we may incur U.S. tax liabilities with respect to repatriation of cash from our U.K. subsidiaries to the United States. The amount of the tax liability, if any, would depend upon a multitude of factors, including the amount of cash actually repatriated.

We also pay value added tax, or VAT, on our revenue generating activities in the U.K. From time to time, the U.K. tax authorities review the basis upon which we assess our VAT liability with respect to our activities. We are currently engaged in a dispute with the tax authorities over two of these reviews.

Acquisitions and other strategic transactions present many risks, and we may not realize the financial and strategic goals that were contemplated at the time of any transaction.

From time to time we have made acquisitions, dispositions and have entered into other strategic transactions. In connection with such transactions, we may incur unanticipated expenses, fail to realize anticipated benefits, have difficulty integrating the acquired businesses, disrupt relationships with current and new employees, customers and suppliers, incur significant indebtedness, or have to delay or not proceed with announced transactions. These factors could have a material adverse effect on our business and our reputation.

Virgin Mobile relies on Everything Everywhere's network to carry its communications traffic.

Virgin Mobile relies on its agreement with Everything Everywhere for voice, non-voice and other telecommunications services we provide to our mobile customers, as well as for certain ancillary services such as pre-pay account management. If the agreement with Everything Everywhere is terminated, or if Everything Everywhere fails to deploy and maintain its network, or if Everything Everywhere fails to provide the services as required under our agreement with them, and we are unable to find a replacement network operator on a timely and commercial basis, if at all, we could be prevented from carrying on our mobile business or, if we found a replacement operator, we may be able to carry on our mobile business only on less favorable terms or provide less desirable services. Additionally, any migration of all or some of our customer base to a new operator would be in part dependent on Everything Everywhere and could entail potential technical or commercial risk.

Everything Everywhere is also a customer of our business division. Any disagreements between Everything Everywhere and Virgin Mobile could adversely affect our other relationships with Everything Everywhere which could have a material adverse effect on our business and results of operation.

We depend on our ability to attract and retain key personnel without whom we may not be able to manage our business lines effectively.

We operate in a number of rapidly changing technologically advanced markets that will continue to challenge our business. There is significant competition in attracting and retaining qualified personnel in the telecommunications industry, especially individuals with experience in the cable sector. We believe that the unique combination of skills and experience possessed by our senior management would be difficult to replace and that the loss of our key personnel could have a material adverse effect on us, including the impairment of our ability to execute our business plan. Our future success is likely to depend in large part on our continued ability to attract and retain highly skilled and qualified personnel.

We do not insure the underground portion of our cable network and various pavement-based electronics associated with our cable network.

We obtain insurance of the type and in the amounts that we believe are customary for similar companies. Consistent with this practice, we do not insure the underground portion of our cable network or various

pavement-based electronics associated with our cable network. Almost all our cable network is constructed underground. As a result, any catastrophe that affects our underground cable network or our pavement-based electronics could prevent us from providing services to our customers and result in substantial uninsured losses.

We have suffered losses due to asset impairment charges for goodwill and long-lived intangible assets and could do so again in the future.

In accordance with the Intangibles—Goodwill and Other Topic of the Financial Accounting Standards Board Accounting Standards Codification, or FASB ASC, goodwill and indefinite-lived intangible assets are subject to annual review for impairment (or more frequently should indications of impairment arise). In addition, other intangible assets are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable, in accordance with the Property, Plant and Equipment Topic of the FASB ASC. On December 31, 2010, we had goodwill and intangible assets of £2,135.9 million. A downward revision in the fair value of a reporting unit or intangible assets could result in an impairment charge being required. Any downward revision in the fair value of our goodwill and intangible assets has a material effect on our reported net income.

We have limited capacity on our cable platform.

Our digital television, analog television, broadband internet and VOD services are transmitted through our core and access networks, which have limited capacity. We have plans in place to add additional capacity to our core and access networks. Until these plans are implemented, we are limited in the number of channels that can be transmitted as part of our digital television service and in our carriage of HD channels. Our current capacity limitations may affect our ability to carry new channels as they are developed. Moreover, our digital television offering could become less competitive, which could result in an increase in customer churn and a decrease in revenue.

We may be adversely affected by complaints, litigation and publicity.

We may be adversely affected by complaints and litigation, including from customers, competitors or regulatory authorities, as well as any adverse publicity that we may attract. Any litigation, complaints or adverse publicity could have a material adverse effect on our business, reputation, financial condition and/or operating results.

Our operations, facilities, products and employees are subject to a wide range of health and safety regulations and concerns.

We are subject to certain environmental, health and safety laws and regulations that affect our operations, facilities and products. We believe that we are in compliance in all material respects with applicable environmental, health and safety laws and regulations related to our operations, facilities, products, employees and business activities and have adequate measures in place to ensure that our affiliates, vendors and contractors comply with all environmental, health and safety laws and regulations. However, in spite of these measures, there is a risk that we may have to incur expenditures to cover environmental and health liabilities to maintain compliance with current or future environmental, health and safety laws and regulations or to undertake any necessary remediation.

Digital video recorders such as the TiVo enabled box could be the subject of future regulation relating to copyright law or evolving industry standards and practices that could adversely impact our business.

DVRs, and in particular the TiVo set-top box with associated software (including middleware), represent a part of our strategy to bring about convergence of our various platforms. In the future, copyright statutes or case law could be changed to adversely impact our business by restricting the ability of consumers to temporally or spatially shift copyrighted materials for their own personal use. Our business could be harmed as a result. In addition, if there is an attempt in the future to require companies in the digital video recorder industry to obtain

copyright or other licenses, this could result in costs which are passed along to us and could delay widespread consumer acceptance of our TiVo offering, restrict our use of some television content, increase our costs, and adversely affect our business.

We are subject to significant regulation and changes in U.K. and EU laws, regulations or governmental policy affecting the conduct of our business may have a material adverse effect on our ability to set prices, enter new markets or control our costs.

Our principal business activities are regulated and supervised by Ofcom and the U.K. Office of Fair Trading, among other regulators. Regulatory change is an ongoing process in the communications sector at both the U.K. and the EU level. Changes in laws, regulations or governmental policy affecting our activities and those of our competitors could significantly influence how we operate our business and introduce new products and services. For example, regulatory changes relating to our activities and those of our competitors, such as changes relating to third party access to cable networks, the costs of interconnection with other networks or the prices of competing products and services, or any change in policy allowing more favorable conditions for other operators, could adversely affect our ability to set prices, enter new markets or control our costs. In particular following the transposition of recent amendments to the European directives into UK law, Ofcom may attempt to use the non-significant market power, or non-SMP, access provisions to require us to make available access to our network to third parties. Our ability to introduce new products and services may also be affected if we cannot predict how existing or future laws, regulations or policies would apply to such products or services. In addition, our business and the industry in which we operate are subject to investigation by regulators, which could lead to enforcement actions, fines and penalties or the assertion of private litigation claims and damages. Any such action could harm our reputation and result in increased costs to the business.

Concerns about health risks associated with wireless equipment may reduce the demand for our services.

Portable communications devices have been alleged to pose health risks, including cancer, due to radio frequency emissions from these devices. Class actions and other lawsuits have been filed against numerous wireless carriers, seeking not only damages but also remedies that could increase our cost of doing business. We cannot be sure of the outcome of those cases or that our business and financial condition will not be adversely affected by litigation of this nature or public perception about health risks. The actual or perceived risk of mobile communications devices could adversely affect us through a reduction in subscribers, reduced network usage per subscriber or reduced financing available to the mobile communications industry. Further research and studies are ongoing, and we cannot be sure that additional studies will not demonstrate a link between radio frequency emissions and health concerns.

Risks relating to the notes and our capital structure

Most of the operating covenants in the indenture are suspended and the collateral and guarantees supporting the notes may be subject to release for as long as the notes are rated investment grade by any two of Fitch, Moody's or Standard & Poor's.

We have been informed by Fitch, Moody's and Standard & Poor's that their ratings for the notes will be an investment grade rating that would meet the level required under "Description of Notes—Covenant Suspension and Release of Guarantees and Collateral." Ratings are not a recommendation to purchase, hold or sell securities and may be changed, suspended or withdrawn at any time. The ratings currently assigned to us are dependent upon economic conditions and other factors affecting credit risk that are outside our control. Any adverse change in our credit ratings could adversely affect the trading price for the notes. Detailed explanations of the ratings may be obtained from the rating agencies.

Most of the operating covenants in the indenture governing the notes are suspended during any time that the notes are rated investment grade by any two of Fitch, Moody's or Standard & Poor's, provided that no default or event of default under the indenture governing the notes has occurred and is continuing. These suspended covenants will be reinstated if at any time, any two of Fitch, Moody's or Standard & Poor's assigns the notes a

rating below investment grade or an event of default has occurred or is continuing. During the period in which these operating covenants are suspended, we may engage in certain transactions that would not be permitted if these covenants had been in effect. If the covenants are later reinstated, the actions taken while the operating covenants were suspended will not result in an event of default under the indenture even if they would constitute an event of default at the time the operating covenants are reinstated. Accordingly, while these covenants are suspended, holders of the notes will have less credit protection. See “Description of Notes—Covenant Suspension and Release of Guarantees and Collateral.”

We will have the right to release from time to time any of the property and other assets included in the collateral securing the notes and release any of the guarantors of the notes (other than the guarantees of the Parent, the Company or Virgin Media Investment Holdings Limited) so long as the notes have been assigned an investment grade rating by any two of Fitch, Moody’s or Standard & Poor’s, no event of default is occurring has occurred or is continuing under the indenture, and the lien or guarantee has been released from under our senior credit facility, existing senior secured notes and other pari passu secured indebtedness. As a result, you may not be able to recover any amount from these guarantors or realize on the released collateral in the event of a default under the indenture governing the notes. The released guarantees and collateral may need to be reinstated if the investment grade ratings are not maintained. However, the enforceability of any such guarantees and collateral supporting debt that had already been incurred could be subject to limitations, including new hardening periods and any new preference periods that may limit your recovery in an enforcement proceeding.

We have substantial indebtedness which may have an adverse effect on our available cash flow, our ability to obtain additional financing if necessary in the future, our flexibility in reacting to competitive and technological changes and our operations.

We have a substantial amount of indebtedness. Our consolidated total long term debt, net of £222 million current portion, was £5,798 million as of December 31, 2010.

Our ability to pay principal and interest on or to refinance the outstanding indebtedness depends upon our operating performance, which will be affected by, among other things, general economic, financial, competitive, regulatory and other factors, some of which are beyond our control. Moreover, we may not be able to refinance or redeem such debt on commercially reasonable terms, on terms acceptable to us, or at all.

The level of our indebtedness could have important consequences, including the following:

- a substantial portion of our cash flow from operations will have to be dedicated to the payment of interest and principal on existing indebtedness, thereby reducing the funds available for other purposes;
- our ability to obtain additional financing in the future for working capital, capital expenditures, product development, acquisitions or general corporate purposes may be impaired;
- our flexibility in planning for, or reacting to, changes in our business, the competitive environment and the industry in which we operate, and to technological and other changes may be limited;
- we may be placed at a competitive disadvantage as compared to our competitors that are not as highly leveraged;
- our substantial degree of leverage could make us more vulnerable in the event of a downturn in general economic conditions or adverse developments in our business; and
- we are exposed to risks inherent in interest rate and foreign exchange rate fluctuations.

Any of these or other consequences or events could have a material adverse effect on our ability to satisfy our debt obligations, which could adversely affect our business and operations.

Most of our debt becomes due prior to the repayment at final maturity of the notes offered hereby. We may not be able to repay such debt when it becomes due and, to the extent we cannot repay such debt, we may not be able to refinance these debt obligations or may be able to refinance only on terms that will increase our cost of borrowing.

Most of our long term debt, including the amounts outstanding under our senior credit facility, our convertible senior notes due 2016, our existing senior notes due 2016 and 2019 and our existing senior secured notes due 2018, is scheduled to come due prior to the stated maturity of the notes offered hereby. We also have significant amounts due under other instruments, including our existing senior notes due 2019 which may require refinancing before the maturity of the notes or any refinancing of the notes.

While we expect to be able to repay a portion of our debt obligations through cash flow from operations, we may not be able to repay or refinance all outstanding amounts as or before they become due, or may be able to refinance such amounts only on terms that will increase our cost of borrowing or on terms that may be more onerous. Our ability to implement any future refinancing successfully will also depend on a variety of factors, many of which may be beyond our control, such as then prevailing conditions in the debt markets, including the availability of sufficient bank debt to meet our needs. We may also need to raise additional capital by doing one or more of the following:

- raising additional debt other than senior bank debt, such as secured or unsecured high yield debt, on terms that may increase our cost of borrowing or result in more onerous terms;
- selling or disposing of some of our assets, possibly on unfavorable terms; or
- issuing equity or equity-related instruments that will dilute the equity ownership interest of existing stockholders.

We will also likely need to refinance our other indebtedness as it becomes due. This refinancing is subject to similar risks as with the refinancing of our senior credit facility.

We cannot assure you that any of, or any combination of, the above actions would be available or sufficient to fund our debt obligations, that we will be able to refinance our debt obligations as or before they come due, or that we will be able to obtain additional financing on favorable terms or at all should the need arise.

The Issuer is a finance company and some of the guarantors are holding companies, or finance companies, and are dependent upon cash flow from group subsidiaries to meet their obligations.

Each of the Issuer, Virgin Media Finance PLC, Virgin Media Investments Limited, VMIH and Virgin Media Inc. and certain other guarantors has no revenue-generating operations of its own. To make payment on the notes or the respective guarantees, as applicable, each will depend on cash flows received from its subsidiaries and payments under intercompany loans, including convertible unsecured loan stock.

The terms of our senior credit facility and other indebtedness limit the payment of dividends, loan repayments and other distributions to or from these companies under many circumstances. Various agreements governing our debt may restrict and, in some cases, may also prohibit the ability of these subsidiaries to move cash within their restricted group. Applicable tax laws may also subject such payments to further taxation.

Applicable law may also limit the amounts that some of our subsidiaries will be permitted to pay as dividends or distributions on their equity interests, or even prevent such payments.

The inability to transfer cash among entities within their respective consolidated groups may mean that even though the entities, in aggregate, may have sufficient resources to meet their obligations, they may not be permitted to make the necessary transfers from one entity in their restricted group to another entity in their restricted group in order to make payments to the entity owing the obligations.

The value of the security securing our senior secured indebtedness, including the notes, may not be sufficient to satisfy our obligations under the notes.

No appraisal of the value of the security securing the notes has been made in connection with this offering, and the fair market value of the security is subject to fluctuations based on factors that include, among others, general economic conditions and similar factors. The amount to be received upon a sale of the security would be dependent on numerous factors, including, but not limited to, the actual fair market value of the security at such time, the timing and the manner of the sale and the availability of buyers. By its nature, portions of the security may be illiquid and may have no readily ascertainable market value. In the event of a foreclosure, liquidation, bankruptcy or similar proceeding, the security may not be sold in a timely or orderly manner. The proceeds from any sale or liquidation of the security will generally be used to repay all senior secured indebtedness, including the outstanding amounts under our senior credit facility, on a pro rata basis, and may not be sufficient to pay our obligations under the notes.

Some of the guarantees and security interests may not be granted when the notes are issued.

We may not be able to provide all of the guarantees and security interests in respect of the notes on the closing date. We have agreed that each of the guarantors shall provide their guarantees and security interests within 10 days of the closing date, *provided* that guarantors representing at least 75% of the EBITDA of the Issuer and the restricted subsidiaries on a combined basis for the fiscal year ended December 31, 2009 shall have provided guarantees, and that guarantors representing at least 50% of the EBITDA of the Issuer and the restricted subsidiaries on a combined basis for the fiscal year ended December 31, 2009 shall have granted security over their assets to secure payment of the notes, in each case on or before the date the notes are issued. All such guarantors currently provide guarantees and security interests in respect of our senior credit facility and existing senior secured notes. As a result, there may be a period following the date the notes are issued during which the lenders under our senior credit facility and holders of the existing senior secured notes have the full benefit of all of the guarantees and security interests while the holders of the notes do not.

The collateral securing the notes is subject to casualty risks.

Some of the collateral securing the notes is either uninsurable or not economically insurable, in whole or in part. Consequently, we may not be fully compensated by insurance proceeds for any losses we may suffer. If there is a complete or partial loss of any of the pledged security, our insurance proceeds may not be sufficient to satisfy the secured obligations, including our senior credit facility and the notes.

Even though the notes will be secured over substantially the same assets that secure our senior credit facility and will share in any enforcement proceeds on a pari passu basis, most actions with respect to the security will be controlled by the lenders under our senior credit facility.

The rights of holders of the notes with respect to the security will be subject to our group intercreditor deed. Under the group intercreditor deed, any enforcement actions that may be taken with respect to the security will be controlled by the security trustee. The security trustee is required to take enforcement action upon receiving instructions from an instructing group of lenders under our senior credit facility, including designated refinancing thereof, until such time as the aggregate amount outstanding under our senior credit facility or the designated refinancing has fallen below £1.0 billion and has represented less than 60% of the aggregate outstanding principal amount of all our senior liabilities for 60 consecutive days. Thereafter, the security trustee would be required to take enforcement action upon receiving instructions from the holders of a majority of the aggregate outstanding principal amount of all our liabilities that qualify as senior liabilities under our group intercreditor deed. As a result, in the event of a default, we anticipate that actions relating to enforcement of the security will be controlled by our senior lenders.

Our senior credit facility, the indenture for our existing senior secured notes and the indenture that will govern the notes permit us to issue additional series of notes or other indebtedness that will also share in the security. Accordingly, if we issue additional senior secured indebtedness in the future in a greater principal

amount than the notes, then the notes may not represent a majority of the aggregate outstanding principal amount of all our liabilities that qualify as senior liabilities under our group intercreditor deed, and the holders of the additional senior secured indebtedness may acquire the right to direct the security trustee to take enforcement action ahead of the holders of the notes.

Holders of the notes and guarantees will share all security equally and ratably with the lenders under our senior credit facility, our existing senior secured notes and certain additional secured indebtedness we will be permitted by the indenture to incur in the future. If there is a default, the value of that security may not be sufficient to repay the holders of the notes and guarantees and the lenders under such indebtedness.

The notes and guarantees will be secured equally and ratably with the lenders under our senior credit facility, our existing senior secured notes and additional secured indebtedness we will be permitted by the indenture to incur in the future, subject to compliance with covenants in our outstanding debt agreements. The indenture will permit the incurrence of additional secured indebtedness, including additional notes, which would share the security equally and ratably with the notes. As a result, if there is a default, the remaining security may not be sufficient to repay the holders of the notes and guarantees and the lenders under any such additional secured indebtedness.

There are circumstances other than repayment or discharge of the notes under which the guarantees will be released automatically, without your consent.

The indenture which will govern the notes will provide that each guarantee by a guarantor will be automatically and unconditionally released and discharged, and each guarantor and its obligations under such guarantee, the indenture, the security documents and our intercreditor deeds will be released and discharged in circumstances including the sale, exchange, transfer or disposition of a guarantor (resulting in the guarantor no longer being a restricted subsidiary) or all or substantially all of the assets of a guarantor, or the release or discharge of the guarantee given by that guarantor under our senior credit facility. As a result of these and other provisions in the guarantees, you may not be able to recover any amounts from the guarantors under the guarantees in the event of a default on the notes and certain of the guarantees may be released without any recovery being available.

There are circumstances other than repayment or discharge of the notes under which the security will be released, without your consent.

The security for the benefit of the notes may be released under various circumstances, including upon a sale or other disposal permitted by the terms of the indenture; upon a release of such security under our senior credit facility or upon any release in connection with a foreclosure or exercise of remedies with respect to that security by the security trustee pursuant to the terms of our group intercreditor deed acting at the direction of the relevant instructing party thereunder. Even though holders of the notes share in the security ratably with the lenders under our senior credit facility, the security trustee, acting at the direction of those lenders, will generally control actions with respect to the security, including releases, whether or not holders of the notes agree or disagree with those actions. See “—Even though the notes will be secured over the same assets that secure our senior credit facility and will share in any enforcement proceeds on a pari passu basis, most actions with respect to the security will be controlled by the lenders under our senior credit facility.” In addition, in connection with any additional secured indebtedness that can be incurred, the security may be released and retaken which may lead to renewed hardening periods in various jurisdictions and may limit your recovery in an enforcement proceeding.

Pledges of shares and other securities may be limited in amount with respect to the notes.

The notes are secured by a pledge of the shares and other securities of a number of Virgin Media group companies. Under the SEC regulations in effect as of the issue date of the notes, if the par value, book value as carried by us, or market value (whichever is greatest) of the capital stock, other securities or similar items of a subsidiary pledged as part of the security is greater than or equal to 20% of the aggregate principal amount of the

notes then outstanding, we would be required to provide separate financial statements of such group company to the SEC. Therefore, all liens on capital stock and other securities issued by any Virgin Media group company, other than the liens on the capital stock and securities of VMIH and Virgin Media Investments Limited, will be limited to the extent that such liens would result in Rule 3-16 of Regulation S-X under the Securities Act requiring the financial statements of that group company to be filed with the SEC, but only to the extent necessary to not be subject to this requirement and only for so long as this requirement is in existence. As a result, holders of the notes could lose a portion or all of their security interest in the capital stock or other securities of those group companies during that period. It may be more difficult, costly and time-consuming for the security trustee to foreclose on the assets of a group company than to foreclose on its capital stock or other securities, so the proceeds realized upon any such foreclosure could be significantly less than those that would have been received upon any sale of the capital stock or other securities of such group company. Moreover, our senior credit facility does not, and any indentures we enter into in the future may not, contain the exception described above and will therefore remain secured on a first priority basis by pledges of capital stock that, due to this exception, are excluded from the collateral securing the notes. Accordingly, there may be capital stock of our subsidiaries that will secure our obligations under our senior credit facility and other indebtedness incurred in the future but not our obligations with respect to the notes issued under the indenture.

Your rights in the security may be adversely affected by the failure to perfect certain security interests in the future.

Applicable law requires that certain property and rights acquired after the grant of a general security interest can only be perfected at the time such property and rights are acquired and identified. The trustee or the security trustee may not monitor, or we may not inform the trustee or the security trustee of, the future acquisition of property and rights that constitute security, and necessary action may not be taken to properly perfect such after-acquired security interest. The trustee for the notes has no obligation to monitor the acquisition of additional property or rights that constitute security or the perfection of any security interest in favor of the guarantees of the notes against third parties. Such failure may result in the loss of the security interest therein or the priority of the security interest in favor of the notes against third parties.

Certain assets are excluded from the security.

Certain assets are excluded from the security for the benefit of the notes, including:

- any capital stock or other securities of any of our subsidiaries, other than VMIH and Virgin Media Investments Limited, to the extent that and for so long as the pledge of that capital stock or other securities results in such subsidiary being subject to any requirement pursuant to Rule 3-16 of Regulation S-X under the Securities Act to file separate financial statements with the SEC;
- any security for purchase money indebtedness or capitalized lease obligations;
- any assets secured pursuant to certain liens permitted under the indenture which will govern the notes;
- interests in certain excluded subsidiaries, non-recourse special purpose vehicles and joint ventures; and
- any assets that are expressly excluded from the collateral securing our senior credit facility or any other indebtedness ranking pari passu with the notes and our senior credit facility which is outstanding from time to time.

If an event of default occurs and the notes are accelerated, the notes will rank equally with all of our other unsubordinated and unsecured indebtedness and other liabilities with respect to such excluded assets. As a result, if the value of the security granted in respect of the notes and the guarantees is less than the value of the claims of the holders of the notes, no assurance can be provided that the holders of the notes would receive any substantial recovery from the excluded assets.

Although the senior subordinated guarantees of our existing senior notes are subordinated to the notes through the high yield intercreditor deed, certain critical decisions under that deed will be controlled by the lenders under our senior credit facility.

Our existing senior notes benefit from senior subordinated guarantees from VMIH and Virgin Media Investments Limited, which are subordinated to the senior liabilities of those entities pursuant to the high yield intercreditor deed. The notes will be designated as senior liabilities under that deed. However, certain of the rights attached to senior liabilities, including delivering a blockage notice to the trustee for the existing senior notes, are exercisable by an instructing group constituted under the group intercreditor deed. This will consist of lenders under our senior credit facility, including designated refinancing thereof, until such time as the aggregate amount outstanding under our senior credit facility or the designated refinancing has fallen below £1.0 billion and has represented less than 60% of the aggregate outstanding principal amount of all our senior liabilities for 60 consecutive days. Thereafter, the instructing group shall consist of the holders of a majority of the aggregate outstanding principal amount of all our liabilities that qualify as senior liabilities under our group intercreditor deed. As a result, in the event of a default, we anticipate that actions relating to payment blockages and other actions under the high yield intercreditor deed will be controlled by our senior lenders.

Covenants in the agreements governing our outstanding and proposed indebtedness could adversely affect us and increase your credit risk.

The agreements that govern our indebtedness (including the indenture that will govern the notes) contain (or will contain) financial maintenance tests and restrictive covenants that restrict (or will restrict) our ability to incur additional debt and limit (or will limit) the discretion of our management over various business matters. For example, the financial maintenance tests include liquidity, coverage and leverage ratios, and the restrictive covenants impact our ability to:

- pay dividends or make other distributions, or redeem or repurchase equity interests or subordinated obligations;
- make investments;
- sell assets, including the capital stock of subsidiaries;
- enter into sale and leaseback transactions and certain vendor financing arrangements;
- create liens;
- enter into agreements that restrict some of our subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- merge or consolidate or transfer all or substantially all of our assets; and
- enter into transactions with affiliates.

For example, we have the ability to make dividends, distributions, stock and subordinated debt repurchases and investments in an amount, as of December 31, 2010, in excess of £3.8 billion under the indenture governing our existing senior secured notes due 2018, under each of the two indentures governing our existing senior notes due 2016 and the indenture governing our existing senior notes due 2019, in addition to other applicable exceptions from the general restrictions under such indentures. The capacity for making restricted payments is substantially similar under both indentures governing our existing senior notes due 2016, the indenture governing our existing senior secured notes due 2018 and the indenture governing our existing notes due 2019 and will be reproduced in the indenture governing the notes offered hereby.

These restrictions could materially adversely affect our ability to finance future operations or capital needs or to engage in other business activities that may be in our best interests. We may also incur other indebtedness in the future that may contain financial or other covenants more restrictive than those applicable under our

current indebtedness. We cannot assure you that we will be able to remain in compliance with these covenants in the future, and, if we fail to do so, that we will be able to obtain waivers from the appropriate parties and/or amend the covenants.

Insolvency laws and other limitations on the guarantees and security may adversely affect their validity and enforceability.

The Issuer's obligations under the notes will be guaranteed and secured by certain assets of the Issuer and the guarantors. The Issuer is incorporated under the laws of England and Wales, and, except for Virgin Media Inc., a Delaware corporation, all of the guarantors are incorporated under the laws of England and Wales or Scotland. Insolvency proceedings with respect to each of these companies could be required to proceed under the laws of the jurisdiction in which its "centre of main interests," as defined in the relevant European Union regulation, is situated at the time insolvency proceedings are commenced. Although there is a rebuttable presumption that the "centre of main interests" will be in the jurisdiction of incorporation, this presumption is not conclusive.

Although laws differ among jurisdictions, in general, applicable insolvency laws in such jurisdictions and limitations on the enforceability of judgments obtained in New York courts would limit the enforceability of judgments against the Issuer and the guarantors on the notes and the guarantees. The following discussion of insolvency law, although an overview, describes generally applicable terms and principles, which are defined under the relevant jurisdictions' insolvency statutes.

In an insolvency proceeding, it is possible that creditors of the guarantors or appointed insolvency administrator may challenge the guarantees and security, and intercompany obligations generally, as fraudulent transfers or conveyances or on other grounds. If so, such laws may permit a court, if it makes certain findings, to:

- avoid or invalidate all or a portion of a guarantor's obligations under its guarantee or the security provided by such guarantor;
- direct that holders of the notes return any amounts paid under a guarantee or any security document to the relevant guarantor or to a fund for the benefit of the guarantor's creditors; and
- take other action that is detrimental to holders of the notes.

We cannot assure you which standard a court would apply in determining whether a guarantor was "insolvent" as of the date the guarantees were issued or security was created or that, regardless of the method of valuation, a court would not determine that a guarantor was insolvent on that date, or that a court would not determine, regardless of whether or not a guarantor was insolvent on the date its guarantee was issued or security was created, that payments to holders of the notes constituted fraudulent transfers on other grounds.

Furthermore, under English insolvency law, some of our subsidiaries' debts may be entitled to priority, including amounts owed in respect of various U.K. social security contributions, amounts owed in respect of occupational pension schemes, certain amounts owed to employees and liquidation expenses. Similar laws are in effect in Scotland.

Laws relating to preferences, transactions at an undervalue and corporate benefit may adversely affect the validity and enforceability of payments under the guarantees of the notes by the guarantors.

The Issuer and a significant number of the guarantors are incorporated under the laws of England and Wales. Under English insolvency law, the liquidator or administrator of a company may apply to the court to set aside a transaction entered into by that company within up to two years prior to it entering into relevant insolvency proceedings, if the company was unable to pay its debts, as defined in Section 123 of the U.K. Insolvency Act 1986, at the time of, or becomes unable to pay its debts as a consequence of, that transaction. For example, a transaction might be subject to a challenge if a company received no consideration or consideration of significantly less value than the benefit given by that company. A court generally will not intervene in these

circumstances, however, if a company entered into the transaction in good faith for the purpose of carrying on its business and if at the time it did so there were reasonable grounds for believing the transaction would benefit the company. The Issuer cannot assure holders of the notes that in the event of insolvency the guarantees and security interests granted by the entities incorporated in England and Wales would not be challenged by a liquidator or administrator or that a court would support our analysis that the guarantees and security interests have been entered into in good faith upon the closing of this offering or the reinstatement of any guarantees or security interests as described under “Description of Notes.” In respect of guarantors which are incorporated in jurisdictions other than England and Wales, there may be similar insolvency laws which could affect the validity and enforceability of the guarantees and security interests granted by such guarantors.

The board of directors of each of the guarantors incorporated in England and Wales has passed a resolution confirming that the entry into the guarantee and security interests is for the commercial benefit of and in the best interests of the company and would promote the success of the company for the benefit of its members as a whole. We can give no assurance, however, that a court would agree with their conclusions in this regard.

If a court voided any guarantee or security interest, or any payment thereunder, as a result of a transaction at an undervalue or a preference, or held it unenforceable for any other reason, you would cease to have any claim against the applicable guarantor under its guarantee of the notes or that security interest.

An active trading market may not develop for the notes and the price of the notes may fluctuate.

We will make an application to list the notes to the Official List of the Luxembourg Stock Exchange and for the admission of the notes to trading on the Euro MTF market of the Luxembourg Stock Exchange, but we cannot assure you that the notes will become or remain listed. The notes will constitute a new issue of securities with no established trading market. If a trading market does not develop or is not maintained, holders of the notes may experience difficulty in reselling the notes or may be unable to sell them at all. Accordingly, we cannot assure holders that an active trading market for the notes will develop or, if a market develops, as to the liquidity of the market.

The liquidity of any market for the notes will depend on the number of holders of the notes, the interest of securities dealers in making a market in the notes and other factors. The Initial Purchasers have advised us that they intend to make a market in the notes, but they are not obligated to do so. The Initial Purchasers may discontinue any market-making in the notes at any time in their sole discretion. Accordingly, we cannot assure you as to the development or liquidity of any market for the notes. If an active trading market does not develop, the market price and liquidity of the notes may be adversely affected. If the notes are traded, they may trade at a discount from their initial offering price depending upon prevailing interest rates, the market for similar securities, general economic conditions, our performance and business prospects and certain other factors.

Factors including the following may have a significant effect on the market price of the notes:

- actual or anticipated fluctuations in our operating results, including our ability to generate cash flow from operations;
- our perceived business prospects;
- our ability or perceived ability to access capital markets and other sources of financing in the future;
- general economic conditions, including prevailing interest rates; and
- the market for similar securities.

The notes are subject to restrictions on transfer within the United States or to U.S. persons and may be subject to transfer restrictions under the laws of other jurisdictions.

The notes offered hereby have not been registered under the Securities Act and are subject to restrictions on transferability and resale. The notes are being offered in reliance upon an exemption from registration under the

Securities Act and applicable state securities laws. Therefore, the notes may be transferred or resold only in a transaction registered under or exempt from the Securities Act and applicable state securities laws. We have agreed to file with the SEC and to use reasonable best efforts to have declared effective, a registration statement related to an exchange offer for the notes. See “Exchange Offer; Registration Rights.” However, we may not be successful in consummating the exchange offer or having the registration statement declared effective. If issued, the exchange notes generally will be permitted to be resold or otherwise transferred by each holder without the requirement of further registration. The exchange notes, however, will also constitute a new issue of securities with no established trading market. The exchange offer will not be conditioned upon any minimum or maximum aggregate principal amount of notes being tendered for exchange. We cannot give you any assurance as to the liquidity of the trading market for the exchange notes or, in the case of non-exchanging holders of the notes, the trading market for the notes following the exchange offer.

You may face foreign exchange risks by investing in the notes.

The notes will be denominated and payable in U.S. dollars and pounds sterling. If you measure your investment returns by reference to a currency other than that of the notes you purchase, an investment in the notes entails foreign exchange-related risks, including possible significant changes in the value of U.S. dollars or pounds sterling relative to the currency by reference to which you measure your investment returns because of economic, political and other factors over which we have no control. Depreciation of the U.S. dollar or pound sterling against the currency by reference to which you measure your investment returns could cause a decrease in the effective yield of the notes below their stated coupon rates and could result in a loss to you when the return on the notes is translated into the currency by reference to which you measure your investment returns. There may be tax consequences for you as a result of any foreign exchange gains resulting from any investment in the notes and you should consult with your own tax advisors regarding any such tax consequences.

The notes will initially be held in book-entry form and therefore you must rely on the procedures of the relevant clearing systems to exercise any rights and remedies.

Unless and until definitive notes are issued in exchange for book-entry interest in the notes, owners of the book-entry interests will not be considered owners or holders of notes. Instead, a nominee of DTC will be the sole holder of the dollar denominated notes and the common depositary for Euroclear and Clearstream will be the sole holder of the sterling denominated notes.

Payments of amounts owing in respect of the global notes (including principal, premium, interest, additional interest and additional amounts) will be made by us to the paying agent. The paying agent will, in turn, make such payments to DTC or its nominee (in respect of the dollar denominated notes) and to the common depositary for Euroclear and Clearstream (in respect of the sterling denominated notes), which will distribute such payments to participants in accordance with their respective procedures.

Unlike holders of the notes themselves, owners of book-entry interests will not have the direct right to act upon solicitations for consents or requests for waivers or other actions from holders of the notes. Instead, if you own a book-entry interest, you will be permitted to act only to the extent you have received appropriate proxies to do so from DTC, Euroclear and/or Clearstream or, if applicable, from a participant. The Issuer cannot assure you that procedures implemented for the granting of such proxies will be sufficient to enable you to vote on any requested actions on a timely basis.

The lack of physical certificates could also:

- result in payment delays on your certificates because the trustee will be sending distributions on the certificates to DTC, Euroclear and/or Clearstream instead of directly to you;
- make it difficult for you to pledge your certificates if physical certificates are required by the party demanding the pledge; and
- hinder your ability to resell your certificates because some investors may be unwilling to buy certificates that are not in physical form.

You may be unable to recover in civil proceedings for U.S. securities laws violations.

The Issuer is a public limited company incorporated under the laws of England and Wales with its registered office and principal place of business in England. Although the Issuer's ultimate parent, Virgin Media Inc., is a U.S. entity with its principal executive offices in the United States, substantially all of its assets are located outside the United States. All or substantially all of the assets of VMIH, Virgin Media Investments Limited and their subsidiaries are located outside the United States. As a result, it may not be possible for you to enforce in the United States judgments of U.S. courts predicated upon the civil liability provisions of the securities laws of the United States.

It is questionable whether an English court would accept jurisdiction and impose civil liability if proceedings were commenced in England predicated solely upon U.S. federal securities laws. See "Enforceability of Civil Liabilities."

Neither the Issuer nor any guarantor other than Virgin Media Inc. has any obligation to provide its financial statements to holders of the notes.

Neither the Issuer nor any guarantor other than Virgin Media Inc. has any obligation in connection with the notes to publish or make available its consolidated financial statements. The indenture governing the notes will require the Issuer to provide only financial statements with respect to its parent holding company, Virgin Media Inc. Virgin Media Inc. will not be subject to the covenants in the indenture governing the notes. The absence of financial statements for the Issuer and the guarantors other than Virgin Media Inc. may make it difficult for holders of the notes to assess the financial condition or results of the Issuer and the guarantors or their compliance with the covenants in the indenture governing the notes.

Virgin Media Inc. and certain other holding companies will not be subject to the covenants in the indenture for the notes.

Our ultimate parent company, Virgin Media Inc., will guarantee the notes but will not be directly subject to the covenants in the indenture governing the notes. As a result, the indenture will not restrict the ability of Virgin Media Inc. to incur additional debt (secured or unsecured), sell, encumber or dispose of assets, pay dividends, make other distributions or enter into transactions with its affiliates. In addition, certain intermediate holding companies are not parties to the indenture, and so are not subject to these restrictions. Any such transactions by any of these entities could have a material adverse effect on the ability of Virgin Media Inc. to make payments in respect of its guarantee of the notes.

We may be unable to repurchase, or may be prohibited from repurchasing, the notes and our existing notes upon a change of control, which would result in a default under the indenture for the notes and may result in a default under our other debt or financing agreements.

If we experience a change of control, as defined in the indentures governing the notes and our existing notes, we will be required to make an offer to repurchase all of the notes and our existing notes at 101% of their principal amount plus accrued and unpaid interest, if any, to the date of purchase. We cannot assure you that we will have sufficient funds or be able to arrange for additional financing to repurchase the notes and our existing notes following a change of control. In addition, we cannot assure you that a repurchase of the notes and our existing notes following a change of control would be permitted pursuant to our other debt or financing agreements that may be in effect at the time of a change of control, which could cause our other indebtedness to be accelerated. If such other indebtedness were to be accelerated, we may not have sufficient funds to repurchase the notes and our existing notes and repay such other indebtedness.

In addition, you should note that recent case law suggests that, in the event that incumbent directors are replaced as a result of a contested election, issuers may nevertheless avoid triggering a change of control under a clause similar to clause (2) of the definition of "Change of Control" under the caption "Description of Notes—Repurchase at the Option of the Holders—Change of Control," if the outgoing directors were to approve the new directors for the purpose of such change of control clause.

The indenture for the notes permits us to dispose of our assets and business relating to our content activities and our business division.

The indenture governing the notes permits us to, among other things, sell, transfer or spin off our business or assets relating to our content activities. In addition, the indenture governing the notes permits us to sell the assets relating to our business division or to contribute them to a joint venture. In each such case, the content-related assets or the business division assets, as the case may be, would no longer be held by an entity that is subject to the covenants contained in the indenture. As a result, we may undertake transactions related to these assets (such as selling them or securing debt on them) which will not be subject to the limitations of the covenants, and we would potentially lose access to all or a portion of the cash flows generated by these assets as well as the value of these assets.

Use of Proceeds

We estimate that the net proceeds of this offering will be approximately £940 million, utilizing the exchange rate at February 18, 2011 of \$1.63 per £1.00, after deducting the Initial Purchasers' discount and estimated offering expenses. Under the terms of our senior credit facility, the net proceeds of this offering shall be applied in repayment of the term facility outstandings as selected by the Company at its discretion. Specifically, we intend to prepay approximately £533 million of the A Facility outstanding under our senior credit facility, thus eliminating scheduled amortization in 2011 through 2014, and approximately £367 million of the B Facility outstanding that are currently scheduled for payment in 2015. The remainder of the net proceeds will be used for general corporate purposes. Certain of the Initial Purchasers or their affiliates are senior lenders under our senior credit facility and, accordingly, will receive a portion of the proceeds from this offering.

All remaining amounts under the A Facility will be due on June 30, 2015, and all remaining amounts under the B Facility will be due on December 31, 2015. We expect to issue a paydown notice to our senior lenders once the sale of the notes has closed, with the paydown of Tranche A expected to be made on or around March 11, 2011, and the paydown of Tranche B expected to be made on or around March 17, 2011.

The rate of interest payable under our senior credit facility is the aggregate per annum of LIBOR or EURIBOR, as applicable, mandatory cost and the applicable interest margin. The applicable interest margin for the A Facility varies between 2.75% and 3.50%, in each case depending on the net total leverage ratio then in effect. The applicable interest margin for the B facility is 3.75%. See "Description of Other Debt—Senior Credit Facility—Interest Margins."

Capitalization

The following table shows the cash and cash equivalents and consolidated capitalization of Virgin Media as of December 31, 2010:

- based on our consolidated financial information at such date; and
- as adjusted to give effect to (i) the notes offered hereby and (ii) the repayments of principal amounts under our senior credit facility from the net proceeds of this offering.

See “Use of Proceeds.”

You should read this table together with the financial statements and related notes incorporated by reference into this offering memorandum.

	As of December 31, 2010			
	Actual		As adjusted	
	(in millions of £'s)	(in millions of \$'s)(1)	(in millions of £'s)	(in millions of \$'s)(1)
Cash and cash equivalents	479.5	748.6	532.0	830.5
Long term debt:				
Sterling notes offered hereby	—	—	644.2	1,005.7
U.S. Dollar notes offered hereby	—	—	318.6	497.4
6.50% U.S. Dollar convertible senior notes due 2016	535.4	835.9	535.4	835.9
9.125% U.S. Dollar senior notes due 2016	352.6	550.4	352.6	550.4
9.50% U.S. Dollar senior notes due 2016	843.2	1,316.4	843.2	1,316.4
9.50% Euro senior notes due 2016	148.5	231.8	148.5	231.8
6.50% U.S. Dollar senior secured notes due 2018	632.3	987.1	632.3	987.1
7.00% Sterling senior secured notes due 2018	863.1	1,347.5	863.1	1,347.5
8.375% U.S. Dollar senior notes due 2019	378.8	591.4	378.8	591.4
8.875% Sterling senior notes due 2019	344.8	538.3	344.8	538.3
Senior credit facility (2)	1,675.0	2,615.0	775.0	1,209.9
Capital leases and other	246.7	385.1	246.7	385.1
Long term debt, including current portion	6,020.4	9,398.9	6,083.2	9,496.9
Total shareholders' equity	1,264.6	1,974.3	1,264.6	1,974.3
Total capitalization	7,285.0	11,373.2	7,347.8	11,471.2

- (1) We report our financial results in pounds sterling. Solely for your convenience, this column contains translations of sterling amounts into U.S. dollars. We are not making any representation to you regarding those translated amounts. In particular, we are not representing that any sterling or U.S. dollar amounts could have been, or could be, converted into U.S. dollars or sterling, as the case may be, at any particular rate, the rates stated above, or at all. The exchange rates, as published by Bloomberg, were \$1.5612 to £1.00 and \$1.3384 to £1.00 as of December 31, 2010. We estimate the net proceeds of this offering will be approximately £940 million, utilizing the exchange rate at February 18, 2011 of \$1.6253 per £1.00, after deducting the Initial Purchasers' discount and estimated offering expenses.
- (2) As of December 31, 2010, on an as adjusted basis, we had the ability to borrow an additional £234.2 million under the revolving credit tranche of our senior credit facility after giving effect to outstanding letters of credit.

Description of the Intercreditor Deeds

We have entered into (i) a Group Intercreditor Deed with, among others, Deutsche Bank AG, London Branch, as facility agent and security trustee under our senior credit facility and the existing senior secured notes and (ii) a High Yield Intercreditor Deed with, among others, Deutsche Bank AG, London Branch, as facility agent under our senior credit facility, The Bank of New York Mellon as trustee for our senior unsecured notes and Deutsche Bank AG London Branch as security trustee. The Bank of New York Mellon, as trustee for and on behalf of the holders of the notes offered hereby, is expected to accede to each of the Group Intercreditor Deed and the High Yield Intercreditor Deed on the Closing Date. Definitions of certain terms used in this Description of the Intercreditor Deeds may be found below under the headings “Certain Definitions.” The summaries set forth below do not purport to be complete and are qualified in their entirety by reference to the actual deeds, copies of which have been publicly filed with the SEC and will be made available by us upon request. See “Where You Can Find More Information.”

Group Intercreditor Deed

The Group Intercreditor Deed governs the relationship among our Senior Liabilities (as described below), our secured hedge counterparties and certain intra-group debtors and creditors.

Priorities

The Group Intercreditor Deed provides that the Senior Liabilities and our secured hedging liabilities rank pari passu without any priority amongst themselves but senior to certain intra-group liabilities.

Senior Liabilities

For purposes of the Group Intercreditor Deed, the “Senior Liabilities” include all of our present and future obligations and liabilities (excluding our hedging liabilities) to the Senior Finance Parties under or in connection with the Senior Finance Documents, including any New Senior Liabilities, together with any related additional liabilities owed to the Senior Finance Parties and together also with all costs, charges and expenses incurred by each of the Senior Finance Parties in connection with the protection, preservation or enforcement of its rights under the Senior Finance Documents.

VMIH may at any time designate liabilities under any credit facility or other financial accommodation as “New Senior Liabilities” under the Group Intercreditor Deed (whether to refinance, replace or increase any existing Senior Liabilities or to constitute any new financial accommodation), provided that the incurrence of such liabilities complies with the terms of our senior credit facility (or, upon its discharge in full, the Designated Refinancing Facilities Agreement). VMIH will designate the notes and the note guarantees offered hereby as New Senior Liabilities on the Closing Date upon which designation they will constitute Senior Liabilities for all purposes under the Group Intercreditor Deed. VMIH has also made this designation in respect of our existing senior secured notes.

Instructing Party

The Instructing Party which controls, among other things, voting and enforcement with respect to and under the Group Intercreditor Deed is defined, for as long as any of our Senior Liabilities are outstanding, as:

- (i) prior to an Enforcement Control Event, the Instructing Group (as defined in our senior credit facility or, upon its discharge in full, the Designated Refinancing Facilities Agreement); or
- (ii) upon an Enforcement Control Event, the Senior Finance Parties representing a majority of the aggregate outstanding principal amount and undrawn uncanceled commitments under the Senior Finance Documents at the relevant date of determination.

As of the Closing Date, lenders under our senior credit facility representing 66²/₃% of the aggregate outstandings thereunder constitute the Instructing Party.

Enforcement

The Group Intercreditor Deed sets forth the relative rights of, amongst other things, our creditors in relation to our Senior Liabilities to enforce the security interests granted by us. The holders of the notes offered hereby, at all times have the right, subject to the terms of the Group Intercreditor Deed and the relevant finance documents, to, among other things:

- demand payment of interest or principal;
- declare prematurely due or accelerate any interest or principal;
- perfect and preserve rights in any security interest;
- institute legal proceedings under the terms of the Senior Finance Documents (other than the security documents) for collection of amounts owing thereunder, to seek injunctive relief against any actual or putative breaches of any Senior Finance Documents or for specific performance or similar remedies or assert rights of an unsecured creditor, including arising under any insolvency event;
- file any necessary or responsive pleadings in response to any person objecting or seeking disallowance of their rights in the security; and
- file claims or statements of interest with respect to the Senior Liabilities upon the occurrence of any insolvency event.

Any of the following additional enforcement actions proposed to be taken by the holders of the notes offered hereby, would require the consent of the Instructing Party (or its relevant agent or representative):

- exercise or seek to exercise any right to crystallize any floating charge created pursuant to the security documents;
- exercise or seek to exercise any right to enforce any encumbrance created pursuant to the security documents;
- exercise or seek to exercise the remedy of foreclosure in respect of any asset subject to any encumbrance created pursuant to the security documents;
- petition for, initiate or support to take, or join with any person in commencing to take, any steps with a view to any insolvency, liquidation, reorganization, administration or dissolution proceedings or any voluntary arrangements for the benefit of creditors or any similar proceedings involving an obligor;
- contest or support any other person in contesting, the perfection, priority, validity or enforceability of all or any part of the security granted pursuant to the security documents or the validity or enforceability of any of the Senior Liabilities or our secured hedging liabilities or of the priorities, rights or duties established by the Group Intercreditor Deed;
- contest, protest or object to any enforcement or foreclosure proceeding or action or any other rights and remedies relating to the security granted pursuant to the security documents brought by the security trustee or the Senior Lenders or object to the forbearance by the Security Trustee or the Senior Lenders from bringing or pursuing any enforcement or foreclosure proceeding or action or otherwise exercise any right of remedies relating to the security; or
- take or cause to be taken any action the purpose or intent of which is, or could be, to interfere, hinder or delay, in any manner, whether by judicial proceedings or otherwise, any sale, transfer or other disposition of the security by the security trustee.

Our secured hedge counterparties and certain intra-group creditors are also subject to certain limitations on taking enforcement action under the Group Intercreditor Deed as well as certain limitations on receiving payments and other distributions in respect of the secured hedging liabilities and intra-group liabilities.

Enforcement of Security

The security trustee will, to the extent it is entitled to do so under the security documents, act in relation to the security interests in accordance with the instructions of the Instructing Party (or its relevant agent or representative). Before giving any instructions to the security trustee to enforce any security interests, the relevant agent or representative acting for the Instructing Group is required to consult with the security trustee in good faith, with a view to co-ordinating their actions, for a period of 45 days or such shorter period as the relevant agent may determine. The relevant agent or representative is not required to so consult with the security trustee if:

- the security interest has become enforceable as a result of (i) an insolvency event, (ii) a non-payment event of default under our senior credit facility or any equivalent provisions under any other Senior Finance Document, or (iii) any other party taking any enforcement action against an obligor; and
- the relevant agent determines in good faith that to enter into such consultations and thereby delay the commencement of enforcement of the security interest could reasonably be expected to adversely impact in any material respect the ability to enforce any of the security interests or the realization proceeds of any enforcement of the security interests.

The security trustee will incur no liability to any Priority Creditor (as defined below) in exercising in good faith any discretion with respect to the enforcement of security interests or if it acts on the advice of a reputable independent investment bank. The security trustee and the facility agent under our senior credit facility are required to use reasonable efforts to consult with any authorized representative or any steering committee or other representative in respect of any series of Additional Senior Liabilities, which would include, prior to the any Enforcement Control Event, the trustee acting on behalf of the holders of the notes offered hereby, prior to taking any enforcement action and provide on a regular basis relevant information on the status of any ongoing enforcement action.

Release of Collateral

If any assets are sold or otherwise disposed of (i) by (or on behalf of) the security trustee, (ii) as a result of a sale by an administrator or liquidator, or (iii) by an obligor at the request of the security trustee (acting on the instructions of or with the consent of the Instructing Party (or its relevant agent or representative)), in each case, of the foregoing, either as a result of the taking of an enforcement action or a disposal by an obligor after any enforcement action, the security trustee is authorized to release those assets from the collateral and is authorized to execute, without any further authority by any Priority Creditor,

- any release of the collateral or any other claim over that asset and to issue any certificates of non-crystallization of any floating charge that may, in the absolute discretion of the security trustee, be considered necessary or desirable;
- if the asset which is disposed of consists of all of the shares in the capital of an obligor or any holding company or subsidiary of that obligor, any release of that obligor or holding company or subsidiary from all liabilities it may have to any Priority Creditor or other obligor and a release of any security interest granted by that obligor or holding company or subsidiary over any of its assets under any of the security documents; and
- if the asset which is disposed of consists of all of the shares in the capital of an obligor or any holding company or subsidiary of that obligor and if the security trustee wishes to dispose of any liabilities owed by that obligor, any agreement to dispose of all or part of those liabilities on behalf of the relevant Priority Creditors, obligors or agents (with the proceeds thereof being applied as if they were the proceeds of enforcement of the collateral) provided that the security trustee takes reasonable care to obtain a fair market price in the prevailing market conditions (though the security trustee has no obligation to postpone any disposal in order to achieve a higher price). No guarantees of any notes issued by Virgin Media Finance PLC, VMIH, Virgin Media Secured Finance PLC or any issuer of senior secured notes from time

to time (including the notes offered hereby) under an indenture may be disposed of pursuant to this paragraph (although such guarantees may be released pursuant to the preceding paragraph).

No liabilities of Virgin Media Finance PLC, VMIH, Virgin Media Secured Finance PLC or any issuer of senior secured notes from time to time (including the notes offered hereby), in each case, in its capacity as a borrower or issuer under any Senior Finance Documents, may be disposed of pursuant to the foregoing or released pursuant to the foregoing. Any asset which is disposed of is released from the claims of all Priority Creditors and the proceeds of such disposal will be applied in accordance with “—General Application of Proceeds” below.

Security Trustee Authorization

Subject to the terms of the Senior Finance Documents, at any time after an event of default has occurred and is continuing under our senior credit facility or any of the other Senior Finance Documents, the security trustee may take such steps as it deems necessary or advisable:

- to perfect or enforce any of the security interests granted in its favor;
- to effect any disposal or realization or enforcement of any of the liabilities of the obligors (including by any acceleration thereof);
- to collect and receive any and all payments or distributions which may be payable or deliverable in relation to any of the liabilities of the obligors; or
- otherwise to give effect to the intent of the Group Intercreditor Deed.

The security trustee may refrain from enforcing the security interests unless and until instructed to do so by the Instructing Party (or its relevant agent or representative) and no Priority Creditor (or its authorized representative) is permitted to contest or object to any enforcement action taken by the security trustee on the instructions of the Instructing Party (or its relevant agent or representative). No party is permitted to take or receive any collateral or any proceeds of any collateral in connection with the exercise of any right or remedy (including set off) with respect to the collateral other than the security trustee acting on the instructions of the Instructing Party (or its relevant agent or representative) in accordance with the terms of the Group Intercreditor Deed.

The security trustee has the exclusive right (and the Instructing Party (or its relevant agent or representative) has the exclusive right to instruct the security trustee) to enforce rights, exercise remedies (including set-off) and make determinations regarding the release, disposition, or restrictions with respect to the security and in exercising such rights and remedies, the security trustee and the Instructing Party (or its relevant agent or representative) may enforce the provisions of the Senior Finance Documents and exercise the remedies thereunder, all in such order and in such manner as they may determine in the exercise of their sole discretion.

Subject to “—Manner of Enforcement” below, if the Instructing Party (or its relevant agent or representative) instructs the security trustee to enforce the security, it may do so in such manner as it deems fit, having regard solely to the interests of the Beneficiaries. Neither the security trustee, the relevant agent acting for the Instructing Group nor any other Senior Finance Party is responsible to any other creditor for any failure to enforce or to maximize the proceeds of any enforcement, and may cease any such enforcement at any time.

Manner of Enforcement

If the security trustee does enforce any of the security interests it may do so in such manner as it sees fit solely having regard to the interest of the Beneficiaries. The security trustee is not responsible to any Beneficiary for any failure to enforce nor to maximize the proceeds of any enforcement, and may cease any such enforcement at any time.

Neither the Instructing Party (or its relevant agent or representative) instructing the security trustee, nor the security trustee itself, is required to take into account the sharing of proceeds provision in the Group Intercreditor Deed when determining the manner of enforcement (and which security to enforce) and, if it is determined to enforce any direct security over shares (other than shares in VMIH and/or Virgin Media Investments Limited), the Instructing Party (or its relevant agent or representative, as the case may be) must in good faith believe that doing so will result in more aggregate proceeds resulting from enforcement of security (disregarding the sharing of proceeds provisions in the Group Intercreditor Deed) than would be realized solely from enforcing direct security over shares in VMIH and/or Virgin Media Investments Limited alone.

Standstill Payments

Following an event of default under our senior credit facility or any other Senior Finance Document all payments received by any Senior Finance Party to enter into any standstill agreement or other agreement to delay the taking of any enforcement action is required to be shared among all the Senior Finance Parties pro rata based on the aggregate outstanding principal amount and undrawn commitments with respect to the Senior Liabilities held by such Senior Finance Party.

No New Encumbrances

For so long as any Senior Liabilities are outstanding, no obligor is permitted to grant or permit any additional encumbrances, or take any action to perfect any additional encumbrances, on any asset or property to secure any series of Senior Liabilities unless it has also granted an encumbrance on such asset or property to secure all of the other series of Senior Liabilities to the extent legally possible and without undue burden on the Virgin Media group of companies (excluding limitations or exclusions in the collateral provided to any series pursuant to the terms of the Senior Finance Documents in respect of such series) and has taken all actions to perfect such encumbrances. To the extent that the foregoing is not complied with, any amounts received by any Senior Finance Party in contravention of the foregoing is required to be paid to the security trustee for the benefit of the Priority Creditors for application pursuant to and in accordance with “—General Application of Proceeds” below.

General Application of Proceeds

Subject to the rights of any preferential creditor and notwithstanding the terms of the security documents, the net proceeds of enforcement of the collateral will be paid to the security trustee for the benefit of the Priority Creditors pursuant to the terms of the Group Intercreditor Deed and will be applied by the security trustee (or any receiver on its behalf) in the following order of priority, in each case, until such amounts have been repaid and discharged in full:

FIRST, in or towards payment of a sum equivalent to the aggregate of any amounts payable to the security trustee under the Senior Finance Documents, to the security trustee;

SECOND, in or towards payment of any fees, expenses, costs or commissions payable to any Senior Finance Party under any Senior Finance Document;

THIRD, in or towards payment of a sum equivalent to the aggregate of the Senior Liabilities and our secured hedging liabilities, to the Second Beneficiaries respectively, which sum will (if insufficient to discharge the same in full) be paid to the Second Beneficiaries on a pro rata basis without any priority amongst themselves; and

FOURTH, in payment to the relevant obligor(s) or other person(s) entitled thereto.

To the extent that (i) the net proceeds of any enforcement of collateral and (ii) any other recoveries and/or proceeds from any obligor (other than in the case of sub-paragraph (ii), such other recoveries and/or proceeds from the Virgin Media Finance PLC and VMIH) are to be applied in accordance with the foregoing, any such proceeds are required to be applied in accordance with the foregoing until all of the Senior Liabilities and our secured hedging liabilities have been discharged in full.

To the extent that a security interest has not been granted in favor of any series of Senior Liabilities incurred after October 30, 2009 or the Senior Finance Documents in respect of such series limit or exclude such security interest from the collateral securing such series of Senior Liabilities, such series of Senior Liabilities will not receive any net proceeds resulting from the enforcement of such security interests that was so limited or excluded. The foregoing does not apply to the extent security has been granted over a particular asset under one or more Senior Finance Documents which (A) security does not secure a particular series of Senior Liabilities or (B) the Senior Finance Documents in respect of a particular series of Senior Liabilities limit or exclude such security from the collateral securing such series of Senior Liabilities, but other security has been granted over that asset which does secure such series of Senior Liabilities and is not so limited or excluded from the collateral securing such series of Senior Liabilities.

Turnover

If any hedge counterparty, any creditor under intra-group debt or any obligor receives or recovers any payment in contravention of the terms of the Group Intercreditor Deed, it is required to hold such payment on trust and pay over such amounts to the security trustee for application in accordance with the order of application set forth above under “—General Application of Proceeds.”

Purchase Option

If an event of default has occurred under our senior credit facility or the Designated Refinancing Facilities Agreement and the security trustee or the Senior Lenders have begun any formal step to enforce any guarantee under any Senior Finance Document and/or security under any security document, the Additional Senior Finance Parties (which would include the holders of the notes offered hereby) may, at the expense of such Additional Senior Finance Parties, purchase or procure the purchase of all (but not part) of the rights and obligations of the Senior Lenders in connection with the Senior Liabilities under the Senior Facilities Agreement or the Designated Refinancing Facilities Agreement upon 10 business days’ prior written notice.

If any Additional Senior Finance Parties in respect of more than one series of Additional Senior Liabilities attempts to exercise this purchase option by procuring the service of the notice described above, such right will be shared on a pro rata basis among the series of Additional Senior Liabilities that have served such notice.

Any such purchase shall take effect on the following terms:

- payment in full in cash of an amount equal to the outstanding principal amount under our senior credit facility or the Designated Refinancing Facilities Agreement as at the date that amount is to be paid (including all accrued interest, fees and expenses, but not any prepayment fees, other than LIBOR/EURIBOR break funding costs, if any);
- payment in full in cash of the amount which each Senior Lender certifies to be necessary to compensate it for any loss on account of funds borrowed, contracted for or utilised to fund any amount included in the Senior Liabilities, resulting from the receipt of that payment otherwise than on the last day of an interest period under our senior credit facility or the Designated Refinancing Facilities Agreement, in relation thereto;
- after the transfer, no Senior Lender (in their capacity as such) will be under any actual or contingent liability to any obligor or any other person under the Group Intercreditor Deed or any Senior Finance Document for which it is not holding cash collateral in an amount and established on terms reasonably satisfactory to it;
- an indemnity is provided from each of the purchasing Additional Senior Finance Parties (or from another third party acceptable to all the Senior Lenders) to the Senior Lenders in respect of all losses which may be sustained or incurred by any Senior Lender in consequence of any sum received or recovered by any Senior Lender from any Senior Finance Party or obligor, or any other person being required (or it being alleged that it is required) to be paid back by or clawed back from any Senior Lender for any reason

whatsoever, provided that where it is demonstrated to the reasonable satisfaction of the Senior Lenders that those losses could not have been recovered in full by the relevant Senior Lender under the Senior Finance Documents, had that transfer not been made, that indemnity shall not extend to the shortfall; and

- the relevant transfer shall be without recourse to, or warranty from, the Senior Lenders, except that each Senior Lender shall be deemed to have given certain limited warranties on the date of that transfer.

Amendments

Save for certain technical amendments which may be made without reference to the Priority Creditors, the agent or representative acting for the Instructing Party may, from time to time, agree with VMIH to amend the Group Intercreditor Deed and any amendments so made will be binding on all the parties hereto, provided that any amendment which would:

- materially and adversely affect any rights of the Priority Creditors may not be made without the prior written consent of the Instructing Party, provided that in the case of any such amendments which would affect the rights of a series of Senior Liabilities in a way that is material and adverse relative to one or more other series, the applicable consent of such affected series (as determined pursuant to the Senior Finance Documents in respect of such series) will also be required;
- impose or vary any obligation on the Priority Creditors may not be made without the prior written consent of the Instructing Party, provided that in the case of any such amendment which imposes or varies the obligations of a series of Senior Liabilities in a way that is material and adverse relative to one or more other series, the applicable consent of such affected series (as determined pursuant to the Senior Finance Documents in respect of such series) will also be required;
- have the effect of (i) changing the pari passu ranking of the secured hedging liabilities with the Senior Liabilities or the pro rata basis of payment to the Second Beneficiaries described under “—General Application of Proceeds,” (ii) changing the amendments clause or (iii) the secured hedge counterparties ceasing to be Priority Creditors or the secured hedging liabilities ceasing to be secured obligations, in each case, may not be made without the prior written consent of each secured hedge counterparty adversely affected thereby; or
- adversely affect any right, or impose or vary any obligation, of any party hereto other than a Priority Creditor may not be made without the consent of that party.

Any amendment which relates to, or has the effect of, subordinating all or any portion of any series of Senior Liabilities to the other Senior Liabilities will only require the consent of the Instructing Party and the applicable consent of such series being subordinated (as determined pursuant to the Senior Finance Documents in respect of such series).

Governing Law

The Group Intercreditor Deed is governed by and is to be construed in accordance with English law.

Certain Definitions

For purposes of this section “Description of Intercreditor Deeds—Group Intercreditor Deed”:

“Additional Senior Finance Parties” means any Senior Finance Parties in respect of any Additional Senior Liabilities;

“Additional Senior Liabilities” means any Senior Liabilities which are not outstanding under our senior credit facility or the Designated Refinancing Facilities Agreement;

“Beneficiaries” means the security trustee (to the extent only of the amounts payable to it in its capacity as such (for its own account) pursuant to the Senior Finance Documents) and the Second Beneficiaries;

“Closing Date” means the closing date of any notes offered hereby;

“Designated Refinancing Facilities Agreement” means, upon the discharge of our senior credit facility in full, any Refinancing Facilities Agreement designated as such by VMIH. Only one agreement at a time may be a Designated Refinancing Facilities Agreement;

An “Enforcement Control Event” occurs when 60 consecutive business days have lapsed since both of the following have occurred at the same time: the aggregate outstanding principal amount and undrawn commitments under our senior credit facility (or, upon its discharge in full, the Designated Refinancing Facilities Agreement), (i) is less than £1.0 billion and (ii) represents less than 60% of the aggregate outstanding principal amount and undrawn commitments under all our Senior Liabilities, and both conditions under clauses (i) and (ii) continue to exist on such 60th business day;

“Priority Creditors” means the Senior Finance Parties and our secured hedge counterparties;

“Refinancing Facilities Agreement” is defined to include any agreement under which debt facilities are made available for the refinancing of the facilities made available under our senior secured facilities agreement or any Designated Refinancing Facilities Agreement and which is designated as such by VMIH, provided that the aggregate principal amount of such refinancing indebtedness does not exceed the aggregate principal amount under our senior credit facilities or any Designated Refinancing Facilities Agreement that it is refinancing plus any New Senior Liabilities;

“Second Beneficiaries” means the facility agent under our senior credit facility or any Designated Refinancing Agreement, any other authorized representatives of either any other series of Senior Liabilities or the Senior Liabilities as a whole, the Senior Finance Parties and our secured hedge counterparties;

“Senior Finance Documents” means (i) the Relevant Finance Documents (as defined in our senior credit facility, or upon its discharge in full, equivalent expression in the Designated Refinancing Facilities Agreement, (ii) any Refinancing Facilities Agreement and (iii) any document evidencing New Senior Liabilities;

“Senior Finance Parties” means (i) the Relevant Finance Parties (as defined in our senior credit facility or, upon its discharge in full, equivalent expression in the Designated Refinancing Facilities Agreement, and (ii) any other creditor or designated agent under any of the Senior Finance Documents; and

“Senior Lenders” means a bank or financial institution or other person which has become a party to the Group Intercreditor Deed as a Senior Lender, in accordance with the applicable provisions of the Group Intercreditor Deed and our senior credit facility or any Designated Refinancing Facilities Agreement.

High Yield Intercreditor Deed

The High Yield Intercreditor Deed governs the relationship of the Senior Liabilities, High Yield Guarantee Liabilities and certain subordinated intra-group indebtedness between any Intra-group Debtor and Virgin Media Finance PLC.

Priorities

The High Yield Intercreditor Deed provides that the following liabilities rank and should be paid and discharged in the following order:

FIRST, the Senior Liabilities (as described below), *pari passu* without any priority amongst themselves (but without prejudice to any alternative priorities in the Group Intercreditor Deed);

SECOND, the High Yield Guarantee Liabilities, *pari passu* with any other senior subordinated obligations of any High Yield Guarantor and without any priority amongst themselves; and

THIRD, the Subordinated Intra-group Liabilities.

Senior Liabilities and High Yield Guarantee Liabilities

For the purposes of the High Yield Intercreditor Deed, “Senior Liabilities” include all present and future obligations and liabilities of the obligors to the Senior Finance Parties under or in connection with the Senior Finance Documents including any New Senior Liabilities together with any related additional liabilities owed to the Senior Finance Parties and together also with all costs, charges and expenses incurred by each of the Senior Finance Parties in connection with the protection, preservation or enforcement of its rights under the Senior Finance Documents, which includes our secured hedging liabilities. The notes offered hereby together with our obligations under our senior credit facility, our existing senior secured notes and our related secured hedging liabilities will constitute Senior Liabilities for purposes of the High Yield Intercreditor Deed.

For the purposes of the High Yield Intercreditor Deed, “High Yield Guarantee Liabilities” include all present and future obligations and liabilities of any High Yield Guarantor to any High Yield Creditors pursuant to any High Yield Guarantee, which includes the senior subordinated guarantees provided by VMIH and Virgin Media Investments Limited in respect of our existing senior notes, together with any related additional liabilities owed to any High Yield Creditor pursuant to any High Yield Guarantee in connection with the protection, preservation or enforcement of the rights of such High Yield Creditors under the indenture and other related documentation with respect thereto.

Payment Blockage

If there is a payment default under our Senior Liabilities or if there is an outstanding payment blockage notice, the High Yield Intercreditor Deed will restrict the ability of any High Yield Guarantor in respect of the High Yield Guarantee Liabilities or any Intra-group Debtor in respect of the Subordinated Intra-group Liabilities:

- to make payments on;
- to grant security for;
- to defease; or
- otherwise to provide financial support in relation to,

the High Yield Guarantee Liabilities or the Subordinated Intra-group Liabilities for so long as the Senior Liabilities remain outstanding. In the event of a payment default with respect to our Senior Liabilities, service of a payment blockage notice is not required to effect the restrictions described above.

A payment blockage notice may be served by the agent or representatives of the relevant series of Senior Liabilities on, among others, the trustee of any High Yield Notes during the continuance of a non-payment event of default with respect to our Senior Liabilities. While a payment blockage is in effect, any High Yield Guarantor and any Intra-group Debtor will be prohibited from making any payment with respect to the High Yield Guarantee Liabilities or the Subordinated Intra-group Liabilities, as applicable.

However, a payment blockage notice is only permitted to be served on or before the date falling 45 days after the date on which notice of such event of default has been received by the agent or representative of the relevant series of Senior Liabilities. A payment blockage notice will remain outstanding, unless cancelled, until the earliest of:

- 179 days after the date of such payment blockage notice;
- the date on which the event of default under the Senior Liabilities is no longer continuing or is remedied or waived;
- cancellation of such payment blockage notice by the agent or representative of the relevant series of Senior Liabilities which initially served such notice;

- if any standstill period is in effect on the date of the service of such payment blockage notice, the date on which such existing standstill period expired; or
- the date on which the Senior Liabilities have been discharged in full.

Only one blockage notice is permitted to be served in respect of a particular event or circumstance, and only one blockage notice is permitted to be served in any consecutive 360-day period relating to an event of default under our Senior Liabilities which was existing at the time of such payment blockage notice, unless such event of default has been remedied and is no longer continuing for at least 180 days prior to the service of the proposed new payment blockage notice.

Standstill on Enforcement

The trustee under the indentures governing any of our High Yield Notes and the holders of such High Yield Notes may bring an action to enforce the obligations of Virgin Media Finance PLC thereunder and, subject to the circumstances described below, the obligations of the relevant High Yield Guarantor under the related High Yield Guarantee. Subject also to the circumstances described below, Virgin Media Finance PLC may also take action to enforce the obligations in respect of the Subordinated Intra-group Liabilities. Enforcement in respect of any High Yield Notes against Virgin Media Finance PLC is not restricted by the High Yield Intercreditor Deed. However, enforcement action may not be taken with respect to the Subordinated Intra-group Liabilities, and the High Yield Guarantees will not become due, unless:

- all of our Senior Liabilities have been discharged in full;
- an insolvency event has occurred in relation to the relevant obligor;
- any Senior Liabilities have been declared due and payable or due and payable on demand, or the lenders thereunder have taken any action to enforce any security interest or lien granted in connection with such obligations; or
- a default has occurred with respect to the relevant High Yield Guarantees, the agents or representatives of the Senior Liabilities have been notified of such default, a standstill period of 179 days has expired and at the end of such period the default is continuing, unremedied or unwaived.

Subordination on Insolvency

In the event of an insolvency of any Intra-group Debtor, any High Yield Guarantor or any member of the Virgin Media group which is a party to a secured hedging agreement, the High Yield Intercreditor Deed provides that all High Yield Guarantee Liabilities and Subordinated Intra-group Liabilities will be subordinated to the prior payment in full of all Senior Liabilities. In that event, the security trustee may make demands under, or enforce, the High Yield Guarantee Liabilities and Subordinated Intra-group Liabilities and any amounts so received in respect thereof shall be applied by the security trustee towards all Senior Liabilities obligations outstanding until such obligations have been paid in full.

Turnover and Application of Proceeds

In the event that, in contravention of the subordination terms described above, or at a time when payments are not permitted to be made:

- Virgin Media Finance PLC receives or recovers a payment or distribution, in cash or in-kind, relating to any Subordinated Intra-group Liabilities, or
- Virgin Media Finance PLC, the trustee under the indentures governing any High Yield Notes or any holder thereof receives or recovers a payment under any High Yield Guarantee,

such person will turn over such amount to the security trustee for application towards payment of the Senior Liabilities until the obligations under the Senior Liabilities are paid in full as described below under “—Priority of Payments.”

Release of the High Yield Guarantees

The High Yield Intercreditor Deed provides for the automatic and unconditional release and discharge of High Yield Guarantees concurrently with any sales of all of the shares of any High Yield Guarantor or any of its direct or indirect holding companies or of all or substantially all of the assets of a High Yield Guarantor by the security trustee or an administrator appointed under the U.K. Insolvency Act of 1986. In order for the release to be effective:

- the proceeds of such sale must be in cash, or substantially in cash, and must be applied as described below under “—Priority of Payments;”
- the relevant High Yield Guarantor must be released from its obligations in respect of any other indebtedness of any member of the restricted group, except for our Senior Liabilities and claims by the trustee pursuant to the terms of any indenture governing the relevant High Yield Notes; and
- the sale must be made pursuant to either a public auction or a competitive bid process to obtain the best price reasonably obtainable given the then current condition (financial or otherwise), earnings, business, assets and prospects of the relevant High Yield Guarantor and its subsidiaries, the security trustee or administrator having consulted with an internationally recognized investment bank, including without limitation and to the extent appropriate a Senior Lender or a relationship bank of Virgin Media Finance PLC or its subsidiaries, or an internationally recognized accounting firm regarding the appropriate procedures for obtaining the best price for the shares or assets, considered the recommendations of that investment bank or accounting firm and used its reasonable efforts to cause the procedures recommended by that investment bank or accounting firm to be implemented in all material respects in relation to the sale and to permit holders of the relevant High Yield Notes to participate in the sale process as bidders.

The High Yield Intercreditor Deed provides that if, notwithstanding the reasonable efforts of the security trustee, the procedures referred to above are not implemented by the relevant court or other authority or any other third party required to act in connection with such sale, the security trustee will not be under any further obligation to cause such procedures to be implemented by such authority.

Priority of Payments

The postponement, subordination, blockage and prevention of payment of the High Yield Guarantees is not intended to and will not impair the obligation of the High Yield Guarantors to pay the holders of our High Yield Notes all amounts due and payable under such guarantees as and when they become due and payable in accordance with the terms of the High Yield Intercreditor Deed. The liabilities owed to the creditors of any High Yield Guarantor will be paid and discharged in the following order:

FIRST, towards any liabilities owed to the trustee under the indentures of the High Yield Notes in respect of any costs, charges or expenses incurred by or payable to it in its capacity as trustee under such indentures pari passu with the security trustee in respect of any costs, charges or expenses incurred by or payable to it in its capacity as security trustee;

SECOND, towards any fees, costs, commissions or expenses payable to any Senior Finance Parties in relation to Senior Liabilities;

THIRD, towards the discharge of any Senior Liabilities pari passu without any priority amongst themselves;

FOURTH, towards any liabilities owed to the holders of any of our High Yield Notes in respect of the related High Yield Guarantee; and

FIFTH, towards payment of any Subordinated Intra-group Liabilities owed to Virgin Media Finance PLC by any Intra-group Debtor.

Any additional amounts remaining after discharge of the above listed liabilities will be paid to the relevant obligor or any other person or persons entitled thereto.

Governing Law

The High Yield Intercreditor Deed is governed by and is to be construed in accordance with English Law.

Certain Definitions

For purposes of this section, “Description of Intercreditor Deeds—High Yield Intercreditor Deed:”

“High Yield Creditor” means each holder of our High Yield Notes from time to time.

“High Yield Guarantor” means VMIH and Virgin Media Investments Limited as providers of subordinated guarantees in respect of our existing High Yield Notes and any other direct or indirect subsidiary of Virgin Media Finance PLC which is a provider from time to time of any High Yield Guarantee in respect of any High Yield Notes.

“High Yield Guarantee” means any unsecured subordinated guarantee of any High Yield Notes provided by any High Yield Guarantor.

“High Yield Notes” means our existing senior unsecured subordinated notes and any other senior unsecured notes issued by Virgin Media Finance PLC and guaranteed by any High Yield Guarantor.

“Intra-group Debtor” means VMIH, Virgin Media Investments Limited and any other High Yield Guarantor from time to time.

“Subordinated Intra-group Liabilities” includes all present and future obligations constituted by indebtedness owed by any Intra-group Debtor to Virgin Media Finance PLC, together with any related additional liabilities owed to Virgin Media Finance PLC and together with all costs, charges and expenses incurred by Virgin Media Finance PLC in connection with the protection, preservation or enforcement of its rights in respect of such amount.

“New Senior Liabilities” means credit facilities or other financial accommodation provided by any Senior Finance Party under the Senior Finance Documents to VMIH which exceeds the total commitments as at April 13, 2004 under our historic senior credit facility dated as of April 13, 2004 (excluding, for the avoidance of doubt, any credit exposure of a lender thereunder, if any, in its capacity as a hedge counterparty, if applicable). No consent by any creditor is required for the incurrence of such New Senior Liabilities provided such incurrence is permitted under the indenture governing our High Yield Notes.

“Refinancing Facilities Agreement” means any facilities agreement under which facilities are made available for the refinancing of the facilities made available under our senior credit facility or any predecessor Refinancing Facilities Agreement and which is designated as such by VMIH provided that the incurrence of such refinancing indebtedness is permitted under the finance documents in respect of our High Yield Notes.

“Senior Finance Documents” means the Finance Documents (as defined in our senior credit facility or any Refinancing Facilities Agreement), which shall include our secured hedging documents.

“Senior Finance Parties” means the Finance Parties (as defined in our senior credit facility or any Refinancing Facilities Agreement), which shall include our secured hedge counterparties.

Description of Other Debt

The summaries set forth below do not purport to be complete and are qualified in their entirety by reference to the actual agreements, copies of which have been publicly filed with the SEC and will be made available by us upon request. See “Where You Can Find More Information.”

Senior Credit Facility

On March 16, 2010, we entered into a senior credit facility agreement. On April 19, 2010, we drew down an aggregate principal amount of £1,675.0 million under our senior credit facility, and applied the proceeds towards the repayment in full of all amounts outstanding under our old senior credit facility as at the draw down date. Our senior credit facility comprises a term loan A facility, or Tranche A, in an aggregate principal amount of £1,000 million; a term loan B facility, or Tranche B, in an aggregate principal amount of £675 million; and a revolving credit facility in an aggregate principal amount of £250 million. The proceeds from Tranches A and B may also be used for general corporate purposes, while the proceeds from the revolving credit facility are available for the financing of our ongoing working capital requirements and general corporate purposes.

On April 19, 2010, we drew down an aggregate principal amount of £1,675.0 million under the senior credit facility and applied the proceeds towards the repayment in full of all amounts outstanding under our previous senior credit facility dated March 3, 2006 (as amended and restated from time to time) as at the draw down date.

On February 15, 2011, Virgin Media Inc., certain of its subsidiaries, and Deutsche Bank AG, London Branch, as Facility Agent and Security Trustee, on behalf of itself and other banks and financial institutions, effected certain amendments to the Company’s senior credit facility dated March 16, 2010, as amended and restated on March 26, 2010 and February 15, 2011.

The Senior Facilities Agreement has been amended to, among other things: (i) fix the total net leverage ratio to 3.75:1.00 from December 31, 2011 until December 31, 2015; (ii) delete the cap on the amount of cash that can be deducted in calculating consolidated senior net debt and consolidated net debt; (iii) allow the Company to incur debt so long as it remains in compliance with the total net leverage; (iv) change the required level for the ratio of consolidated senior net debt to consolidated operating cashflow from 2.25:1.00 to 3.00:1.00; (v) include sale and leaseback arrangements in certain financial baskets; (vi) increase certain financial baskets to the greater of £250 million plus amounts outstanding as of the original execution date and the amount that could be incurred so that the ratio of consolidated senior net debt to consolidated operating cashflow is equal to, or less than, 3.00:1.00 for the purposes of incurring secured debt; (vii) eliminate the excess cash flow sweep; and (viii) eliminate the restriction on using the proceeds of an additional facility or additional senior secured notes for the payment of any dividends or distributions to the Company and the repayment or prepayment of the 9.125% senior notes due 2016.

Additionally, 96.2% of Term Loan A lenders under the Senior Facilities Agreement have agreed to defer their portion of the £200 million amortization payment due June 30, 2014, by one year, to June 30, 2015.

Principal Amortization

The final maturity date of Tranche A and the revolving credit facility is June 30, 2015 and the final maturity date of Tranche B is December 31, 2015. After application of the proceeds of the offering, all remaining amounts under Tranche A will be due on June 30, 2015 and all remaining amounts under Tranche B will be due on December 31, 2015.

Mandatory Prepayments

Our senior credit facility must be prepaid in certain circumstances by certain amounts, including:

- 50% of the net cash proceeds of any issuance of equity greater than £10 million (above an aggregate prepayment threshold) subject to customary exceptions, which percentage may be reduced to 25% or 0% if certain leverage ratios are met;

- from the net proceeds of insurance claims (above an aggregate prepayment threshold), other minimum thresholds and customary exceptions; and
- from the net proceeds of certain asset disposals (above an aggregate prepayment threshold), other minimum thresholds and customary exceptions.

In addition, all outstanding amounts under our senior credit facility must be repaid and all commitments will be cancelled upon the occurrence of a change of control.

Interest Margins

The annual rate of interest payable under our senior credit facility is the sum of (i) the London Intrabank Offer Rate (LIBOR), or the European Intrabank Offer Rate (EURIBOR) (as applicable), plus (ii) the applicable interest margin and (iii) the applicable cost of complying with any mandatory costs requirement.

The applicable interest margin for Tranche A and the revolving credit facility under our senior credit facility depends upon the total net leverage ratio of the bank group (which comprises VMIH and certain of its subsidiaries, and certain other operating companies which are subsidiaries of Virgin Media Inc. but not of VMIH) then in effect as set forth below:

<u>Leverage Ratio</u>	<u>Margin</u>
Greater than 3.75:1.00	3.50%
Equal to or less than 3.75:1.00 but greater than 3.25:1.00	3.25%
Equal to or less than 3.25:1.00 but greater than 2.75:1.00	3.00%
Equal to or less than 2.75:1.00	2.75%

The applicable interest margin for Tranche B is 3.75%.

Guarantees; Security

Our senior credit facility requires that members of the bank group which generate not less than 80% of the consolidated operating cash flow of the bank group (excluding the consolidated net income attributable to any joint venture) in any financial year guarantee the payment of all sums payable under our senior credit facility and such members are required to grant first-ranking security over all or substantially all of their assets to secure the payment of all sums payable under our senior credit facility. Virgin Media Finance PLC has also provided a guarantee for the payment of all sums payable under our senior credit facility and has secured its obligations under that guarantee by granting security over its interest in the intercompany debt owed to it by its direct subsidiary VMIH and over all of the shares in VMIH.

Covenants

Our senior credit facility significantly, and in some cases absolutely, restricts the ability of the members of the bank group to, among other things:

- incur or guarantee additional indebtedness;
- pay dividends or make other distributions, or redeem or repurchase equity interests or subordinated obligations;
- make investments;
- sell assets, including the capital stock of subsidiaries;
- create liens;
- enter into agreements that restrict the bank group's ability to pay dividends or make intercompany loans;

- merge or consolidate or transfer all or substantially all of their assets; and
- enter into transactions with affiliates.

Financial Maintenance Covenants

Our senior credit facility contains the following financial covenant ratios:

- Consolidated net debt to consolidated operating cashflow, which we refer to as the Leverage Ratio; and
- Consolidated operating cashflow to consolidated total net cash interest payable, which we refer to as the Interest Coverage Ratio.

The minimum required ratios are outlined below:

<u>Quarter Date</u>	<u>Leverage Ratio</u>	<u>Interest Coverage Ratio</u>
December 31, 2010	4.70:1.00	2.65:1.00
March 31, 2011	4.60:1.00	2.75:1.00
June 30, 2011	4.40:1.00	2.80:1.00
September 30, 2011	4.35:1.00	2.85:1.00
December 31, 2011	3.75:1.00	2.95:1.00
March 31, 2012	3.75:1.00	3.00:1.00
June 30, 2012	3.75:1.00	3.05:1.00
September 30, 2012	3.75:1.00	3.10:1.00
December 31, 2012	3.75:1.00	3.10:1.00
March 31, 2013	3.75:1.00	3.15:1.00
June 30, 2013	3.75:1.00	3.20:1.00
September 30, 2013	3.75:1.00	3.25:1.00
December 31, 2013	3.75:1.00	3.35:1.00
March 31, 2014	3.75:1.00	3.45:1.00
June 30, 2014	3.75:1.00	3.55:1.00
September 30, 2014	3.75:1.00	3.70:1.00
December 31, 2014	3.75:1.00	3.80:1.00
March 31, 2015	3.75:1.00	3.95:1.00
June 30, 2015	3.75:1.00	4.00:1.00
September 30, 2015	3.75:1.00	4.00:1.00
December 31, 2015	3.75:1.00	4.00:1.00

As shown in the table above, the required levels become more restrictive over time. As a result, we will need to continue to improve our operating performance over the next several years to meet these levels. Failure to meet these covenant levels would result in a default under our senior credit facility.

Events of Default

The occurrence of events of default specified in our senior credit facility entitle the lenders, after the expiry of any grace periods, as applicable, to cancel any undrawn portion of that facility, require the immediate payment of all amounts outstanding under that facility and enforce or direct the security trustee to enforce the security interests that have been granted. These events of default include, among other things:

- failure to make payments of principal or interest when due;
- breaches of representations;
- breaches of obligations and undertakings under our senior credit facility or related finance documents, including failure to comply with financial covenants;

- cross-defaults to other indebtedness of any member of the group, subject to certain threshold amounts and other customary exceptions;
- the occurrence of insolvency contingencies affecting Virgin Media Inc., Virgin Media Finance PLC, any borrower under our senior credit facility or any guarantor that is a material subsidiary;
- repudiation of our senior credit facility or related finance documents;
- illegality; and
- the occurrence of any event or circumstance which would have a material adverse effect in (i) the financial condition, assets or business of the obligors (taken as a whole) under our senior credit facility, and (ii) the ability of the obligors (taken together) under the senior credit facility to perform and comply with their payment or other material obligations under the senior credit facility or related finance documents (taking into account the resources available to the obligors from any other member of the bank group).

Existing Senior Secured Notes

On January 19, 2010, the Issuer issued U.S. dollar denominated 6.50% senior secured notes due 2018 with an aggregate principal amount outstanding of \$1.0 billion and sterling denominated 7.00% senior secured notes due 2018 with an aggregate principal amount outstanding of £875 million, which we collectively refer to as our existing senior secured notes. Interest on the senior secured notes due 2018 is payable on June 15 and December 15 each year. Our existing senior secured notes rank pari passu with our senior credit facility and, subject to certain exceptions, share the same guarantee and security package which has been granted in favor of our senior credit facility.

The covenants in the existing senior secured notes contain substantially similar obligations and restrictions on the activities of the Issuer and certain of its affiliates and contain similar covenants to those contained in the notes offered hereby and described under “Description of Notes.”

Existing Senior Notes

In November 2009, Virgin Media Finance PLC issued U.S. dollar denominated 8.375% senior notes due 2019 with an aggregate principal amount outstanding of \$600 million and sterling denominated 8.875% senior notes due 2019 with an aggregate principal amount outstanding of £350 million. Interest on the 8.375% senior notes due 2019 and the 8.875% senior notes due 2019 is payable on April 15 and October 15 of each year. The 8.375% senior notes due 2019 and the 8.875% senior notes due 2019 are unsecured senior obligations of Virgin Media Finance PLC and rank pari passu with Virgin Media Finance PLC’s outstanding senior notes due 2016. The 8.375% senior notes due 2019 and the 8.875% senior notes due 2019 mature on October 15, 2019 and are guaranteed on a senior basis by Virgin Media Inc., Virgin Media Group LLC, Virgin Media Holdings Inc., Virgin Media (UK) Group, Inc. and Virgin Media Communications Limited and on a senior subordinated basis by VMIH and Virgin Media Investments Limited.

In June 2009, Virgin Media Finance PLC issued U.S. dollar denominated 9.50% senior notes due 2016 with an aggregate principal amount outstanding of \$750 million and euro denominated 9.50% senior notes due 2016 with an aggregate principal amount outstanding of €180 million. In July 2009, Virgin Media Finance PLC issued additional U.S. dollar denominated 9.50% senior notes due 2016 with an aggregate principal amount outstanding of \$600 million. The U.S. dollar denominated senior notes issued in June 2009 and July 2009, respectively, are treated as a single issuance of the same notes under the indenture for these notes. Interest on the 9.50% senior notes due 2016 is payable on February 15 and August 15 of each year. The 9.50% senior notes due 2016 are unsecured senior obligations of Virgin Media Finance PLC and rank pari passu with Virgin Media Finance PLC’s outstanding senior notes due 2019 and its 9.125% senior notes due 2016. The 9.50% senior notes due 2016 mature on August 15, 2016 and are guaranteed on a senior basis by Virgin Media Inc., Virgin Media Group LLC, Virgin Media Holdings Inc., Virgin Media (UK) Group, Inc. and Virgin Media Communications Limited and on a senior subordinated basis by VMIH and Virgin Media Investments Limited.

In July 2006, Virgin Media Finance PLC issued U.S. dollar denominated 9.125% senior notes due 2016 with an aggregate principal amount outstanding of \$550 million. The 9.125% senior notes due 2016 are unsecured senior obligations of Virgin Media Finance PLC and rank pari passu with Virgin Media Finance PLC's outstanding 9.50% senior notes due 2016 and its senior notes due 2019. Interest on the 9.125% senior notes due 2016 is payable on February 15 and August 15 of each year. The 9.125% senior notes due 2016 mature on August 15, 2016 and are guaranteed on a senior basis by Virgin Media Inc., Virgin Media Group LLC, Virgin Media Holdings Inc., Virgin Media (UK) Group, Inc. and Virgin Media Communications Limited and on a senior subordinated basis by VMIH and Virgin Media Investments Limited.

The covenants in the senior notes due 2016 and the senior notes due 2019 contain substantially similar obligations and restrictions on the activities of the Issuer and certain of its affiliates and contain similar covenants to those contained in our existing senior secured notes and the notes offered hereby and described under "Description of Notes." However, the group of companies generally restricted by the covenants in our existing senior notes comprises Virgin Media Group LLC and its subsidiaries, whereas the group of companies generally restricted by the covenants in our existing senior secured notes and the notes offered hereby comprises VMIH and its subsidiaries and other guarantors of the notes.

Convertible Senior Notes

In April 2008, Virgin Media Inc. issued U.S. dollar denominated 6.50% convertible senior notes due 2016 with an aggregate principal amount outstanding of \$1.0 billion. The convertible senior notes are unsecured senior obligations of Virgin Media Inc. and, consequently, are subordinated to our obligations under the senior credit facility and rank equally with Virgin Media Inc.'s guarantees of the existing senior notes and will rank equally with Virgin Media Inc.'s guarantee of the notes offered hereby. The convertible senior notes bear interest at an annual rate of 6.50% payable semi-annually on May 15 and November 15 of each year. The convertible senior notes mature on November 15, 2016 and may not be redeemed by us prior to their maturity date. Upon conversion, we may elect to settle in cash, shares of common stock or a combination of cash and shares of our common stock.

Holders of convertible senior notes may tender their notes for conversion at any time on or after August 15, 2016 through to the second scheduled trading date preceding the maturity date. Prior to August 15, 2016, holders may convert their notes, at their option, only under certain circumstances set forth in the indenture governing the convertible senior notes. The initial conversion rate of the convertible senior notes represents an initial conversion price of approximately \$19.22 per share of common stock, subject to adjustment under circumstances set forth in the indenture governing the convertible senior notes.

Holders may also require us to repurchase the convertible senior notes for cash in the event of a fundamental change (as defined in the indenture governing the convertible senior notes), such as a change in control, merger, consolidation, dissolution or delisting (including involuntary delisting for failure to continue to comply with the NASDAQ listing criteria), for a purchase price equal to 100% of the principal amount, plus accrued but unpaid interest to the purchase date.

Description of Notes

Definitions of certain terms used in this Description of Notes may be found below under the heading “—Certain Definitions.” For purposes of this section, the term:

- “Issuer” refers to Virgin Media Secured Finance PLC, a public limited company incorporated under the laws of England and Wales;
- “VM FinanceCo” refers to Virgin Media Finance PLC, a public limited company incorporated under the laws of England and Wales, which will guarantee the Notes on a senior basis (the “VM FinanceCo Guarantee”);
- “Company” refers to Virgin Media Investment Holdings Limited, an indirectly wholly owned subsidiary of Parent, which will guarantee the Notes on a senior basis (the “Company Guarantee”), and which along with the Restricted Subsidiaries is subject to the covenants described in this section;
- “Notes” collectively refers to the Dollar Notes and Sterling Notes to be issued on the date as of which the Indenture (as defined below) is dated (the “Closing Date”) and any Additional Notes (as defined below) issued;
- “Subsidiary Guarantors,” on the Closing Date, refers to the Subsidiaries of the Company that are providing Guarantees under the Indenture together with the Affiliate Guarantors (which, together, represents all of the guarantors under the Existing Credit Facility and the Existing Senior Secured Notes), and subsequently, together with any Person that becomes a Subsidiary Guarantor hereafter pursuant to the terms of the Indenture (each such Person, an “Additional Subsidiary Guarantor”);
- “Affiliate Guarantors” refers to (i) ntl Kirklees, a private unlimited company incorporated under the laws of England and Wales; and (ii) ntl Glasgow, a private unlimited company incorporated under the laws of Scotland, each of which is an indirect Subsidiary of the Parent and has provided a guarantee under the Existing Credit Facility and the Existing Senior Secured Notes;
- “Parent” refers to Virgin Media Inc., an indirect parent company of the Issuer, which will guarantee the Notes on a senior basis. The guarantee of the Parent is referred to in this section as the “Parent Guarantee.”

Parent and VM FinanceCo will not be directly subject to the covenants under the Indenture.

A complete list of the guarantors of the Notes as of the Closing Date (namely, the Parent, the Company, VM FinanceCo and all Subsidiary Guarantors) is set forth on Schedule I of this offering memorandum.

Each guarantee granted by an Additional Subsidiary Guarantor is referred to in this section as an “Additional Subsidiary Guarantee.” The guarantees of the original Subsidiary Guarantors and any Additional Subsidiary Guarantors will collectively be referred to as “Subsidiary Guarantors,” and their guarantees will collectively be referred to as “Subsidiary Guarantees.” Parent, the Company, VM FinanceCo and the Subsidiary Guarantors are each referred to from time to time in this section as a “Note Guarantor,” and each such guarantee is referred to in this section from time to time as a “Note Guarantee.”

The Issuer will issue the Notes under an Indenture to be dated as of the Closing Date (the “Indenture”), among the Parent, the Company, VM FinanceCo, the Issuer, the Subsidiary Guarantors and The Bank of New York Mellon, as Trustee, Registrar and Paying Agent (the “Trustee”) and The Bank of New York Mellon (Luxembourg), S.A., as Luxembourg Paying Agent, a copy of which is available from the Issuer upon request. The Indenture contains provisions which define your rights under the Notes. In addition, the Indenture governs the obligations of the Parent, the Company, VM FinanceCo, the Issuer, each Subsidiary Guarantor and the Trustee under the Notes. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the U.S. Trust Indenture Act of 1939, as amended.

Each Holder, by accepting a Note, shall be deemed to have agreed to and accepted the terms and conditions of each of the Intercreditor Deeds. A copy of each of the Intercreditor Deeds shall be available on any Business Day upon prior written request at the offices of the Trustee and, for so long as any Notes are listed on the Official List of the Luxembourg Stock Exchange, at the offices of the Luxembourg Paying Agent. See “Description of the Intercreditor Deeds.”

The following description is only a summary of certain provisions of the Indenture. It does not restate the terms of the Indenture in their entirety. We urge you to carefully read the Indenture as it, and not this description, governs your rights as Holders.

Overview of the Notes and the Note Guarantees

The Notes:

- will be senior secured obligations of the Issuer;
- will be secured by Liens on substantially all of the assets of the Issuer being substantially the same assets as those on which Liens have been granted in respect of the Existing Credit Facility and the Existing Senior Secured Notes (subject to any Permitted Liens) and will share in any enforcement proceeds on a pari passu basis therewith;
- will rank equally in right of payment with all existing and future senior indebtedness of the Issuer;
- will be senior in right of payment to all existing and future Subordinated Obligations of the Issuer;
- will be effectively senior to any existing or future unsecured Indebtedness of the Issuer to the extent of the value of the Collateral securing the obligations under the Notes (subject to the Liens securing the obligations under the Existing Credit Facility, the Existing Senior Secured Notes and any other Permitted Liens); and
- will be subject to registration with the SEC pursuant to the Registration Rights Agreement.

The Issuer is a finance subsidiary of the Company with no significant assets of its own other than its intercompany loan to the Company advancing the proceeds of this offering.

The Parent Guarantee:

- will be a senior unsecured obligation of Parent;
- will rank equally in right of payment with all existing and future senior indebtedness of Parent;
- will be senior in right of payment to all existing and future Subordinated Obligations of Parent;
- will be effectively subordinated to any Secured Indebtedness of Parent to the extent of the value of the assets securing such Secured Indebtedness; and
- will be effectively subordinated to all liabilities (including all obligations under the Existing Credit Facility and the Existing Senior Secured Notes, any Indebtedness permitted to be Incurred under the Indenture by the Company or any Restricted Subsidiary and Trade Payables) and Disqualified Stock and Preferred Stock of each Subsidiary of Parent, including the Company, VM FinanceCo, the Issuer and the Subsidiary Guarantors.

The VM FinanceCo Guarantee:

- will be a senior secured obligation of VM FinanceCo;
- will rank equally in right of payment with all existing and future senior indebtedness of VM FinanceCo;

- will be senior in right of payment to all existing and future Subordinated Obligations of VM FinanceCo; and
- will be secured by Liens over substantially all of the assets of VM FinanceCo being on substantially the same assets as those on which Liens have been granted in respect of the Existing Credit Facility and the Existing Senior Secured Notes (subject to any Permitted Liens) and will share in any enforcement proceeds on a pari passu basis therewith.

The Company Guarantee:

- will be a senior secured obligation of the Company;
- will be secured by Liens on substantially all of the assets of the Company being substantially the same assets as those on which Liens have been granted in respect of the Existing Credit Facility and the Existing Senior Secured Notes (subject to any Permitted Liens) and will share in any enforcement proceeds on a pari passu basis therewith;
- will rank equally in right of payment with all existing and future senior indebtedness of the Company;
- will be senior in right of payment to all existing and future Subordinated Obligations of the Company; and
- will be effectively senior to any existing or future unsecured Indebtedness of the Company to the extent of the value of the Collateral securing the Company's obligations under the Company Guarantee and other Secured Indebtedness.

The Subsidiary Guarantees:

- will be senior secured obligations of the Subsidiary Guarantors;
- will be secured by Liens on substantially all of the assets of the Subsidiary Guarantors being substantially the same assets as those on which Liens have been granted in respect of the Existing Credit Facility and the Existing Senior Secured Notes (subject to any Permitted Liens) and will share in any enforcement proceeds on a pari passu basis therewith;
- will rank equally in right of payment with all existing and future senior indebtedness of the Subsidiary Guarantors;
- will be senior in right of payment to all existing and future Subordinated Obligations of the Subsidiary Guarantors; and
- will be effectively senior to any existing or future unsecured Indebtedness of the Subsidiary Guarantors to the extent of the value of the Collateral securing the Subsidiary Guarantors' obligations under the Subsidiary Guarantee and other Secured Indebtedness.

Under limited circumstances, certain additional entities may be required to provide Additional Subsidiary Guarantees. The circumstances under which Additional Subsidiary Guarantees may be required are described below under “—Certain Covenants—During the Suspension Period—Limitation on Guarantees of Indebtedness by Restricted Subsidiaries” and “—Merger and Consolidation.”

The circumstances under which the Note Guarantees may be released are described below under “—Note Guarantees—Release of Guarantees.”

Each of the Issuer, VM FinanceCo, Virgin Media Investments Limited, Parent and the Company has no revenue-generating operations of its own. To make payment on the Notes or the Note Guarantees, as applicable, each will depend on cash flows received from its subsidiaries and payments under intercompany loans, including

convertible unsecured loan stock. See “Risk Factors—Risks relating to the notes and our capital structure—The Issuer is a finance company and some of the guarantors are holding companies, or finance companies, and are dependent upon cash flow from group subsidiaries to meet their obligations.” Moreover, the Issuer and the other Restricted Subsidiaries will be able to Incur substantial amounts of Indebtedness in the future, including Indebtedness that will be effectively senior to the Notes and the Note Guarantees. See “—Other Indebtedness” and “—Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness” below.

Compliance with the Trust Indenture Act

The Trust Indenture Act will become applicable to the indenture only upon the qualification of the indenture under the Trust Indenture Act, which will occur if and only if the Notes have been registered under the Securities Act. To the extent applicable, the indenture will require the Issuer to comply with the provisions of TIA § 314 and to cause TIA § 313(b), relating to reports, and TIA § 314(d), relating to the release of property or securities or relating to the substitution therefor of any property or securities to be subjected to the Lien of the Collateral Documents, to be complied with. Any certificate or opinion required by TIA § 314(d) may be made by an officer of the Issuer except in cases where TIA § 314(d) requires that such certificate or opinion be made by an independent Person, which Person will be an independent engineer, appraiser or other expert selected by or reasonably satisfactory to the trustee.

Notwithstanding anything to the contrary in the preceding paragraph, the Issuer will not be required to comply with all or any portion of TIA § 314(d) if the Issuer determines, in good faith, that under the terms of TIA § 314(d) and/or any interpretation or guidance as to the meaning thereof of the SEC and its staff, including “no action” letters or exemptive orders, all or any portion of TIA § 314(d) is inapplicable to released collateral. The Issuer and the Note Guarantors may, subject to the provisions of the indenture, among other things, without any release or consent by the Trustee or the Security Trustee or any holder of Pari Passu Lien Obligations, conduct ordinary course activities with respect to the Collateral.

Investment Grade Status—Impact

We have been informed by Fitch, Moody’s and Standard & Poor’s that their ratings for the Notes will be an investment grade rating that would meet the level required under “—Covenant Suspension and Release of Guarantees and Collateral.” Ratings are not a recommendation to purchase, hold or sell securities and may be changed, suspended or withdrawn at any time. The ratings currently assigned to us are dependent upon economic conditions and other factors affecting credit risk that are outside our control. Any adverse change in our credit ratings could adversely affect the trading price for the Notes. Detailed explanations of the ratings may be obtained from the rating agencies.

As a result of these Investment Grade Ratings for the Notes, most of the operating covenants governing the Notes will be suspended so long as at least two of Fitch, Moody’s and Standard & Poor’s continue to provide an Investment Grade Rating for the Notes and no default or event of default under the indenture has occurred or is continuing. See “—Certain Covenants—During the Suspension Period” for the covenants that will apply after the closing date and during the Suspension Period. As a result, holders of the Notes will have less protection under the operating covenants during the Suspension Period. See “Description of Notes—Certain Covenants—During the Reinstatement Period” for the covenants that will apply during a Reinstatement Period.

As a result of the Investment Grade Rating for the Notes, during the Suspension Period the Company will be able to release the Collateral securing the Notes and the Note Guarantees from many of the Note Guarantors if the same Collateral and Guarantees are released that support the Existing Credit Facility, the Existing Senior Secured Notes and any other Pari Passu Secured Obligations that are outstanding at that time. As a result, the Notes could become unsecured and have the support of limited guarantees at a later date.

Treatment of Business Division and Content Assets

The Indenture permits us to, among other things, sell, transfer or spin off our business or assets relating to content activities. In addition, the Indenture permits us to contribute the assets relating to our Virgin Media

Business division to a joint venture. See “—Certain Covenants—During the Reinstatement Period—Limitation on Restricted Payments” and “—Certain Covenants—During the Reinstatement Period—Limitation on Sales of Assets and Subsidiary Stock.” In each such case, the business division assets or the content related assets, as the case may be, would no longer be held by the Company or any Restricted Subsidiary, and so would not be subject to the covenants contained in the Indenture. As a result, the Company may undertake transactions related to these assets (such as selling them or securing debt on them) which will not be subject to the limitations of the covenants, and the Company would potentially lose access to all or a portion of the cash flows generated by these assets as well as the value of these assets.

Revenue (including internally generated revenue) and segment contribution for our Business segment for the year ended December 31, 2010 was £596.8 million and £342.8 million, respectively.

Segment contribution, which is operating income before network operating costs, corporate costs, depreciation, amortization, goodwill and intangible asset impairments and restructuring and other charges, is management’s measure of segment profit. Segment contribution excludes the impact of certain costs and expenses that are not directly attributable to the reporting segments, such as the costs of operating the network, corporate costs and depreciation and amortization. Restructuring and other charges, and goodwill and intangible asset impairments are excluded from segment contribution as management believes they are not characteristic of our underlying business operations. Assets are reviewed on a consolidated basis and are not allocated to segments for management reporting since the primary asset of the business is the cable network infrastructure, which is shared by Virgin Media’s Consumer and Business segments.

On June 4, 2010, we completed the sale to BSkyB of our television channel business, Virgin Media TV, which comprised a substantial part of our content assets. Following our sale of Virgin Media TV, our content assets now comprise a 50% equity investment in the UKTV joint venture companies. As at December 31, 2010, included in the balance sheet were amounts related to our share of net assets, loans receivable, redeemable preference shares, and other payables and receivables in respect of the UKTV joint ventures totaling £359.2 million. During the year ended December 31, 2010, we received cash payments from UKTV for loan principal payments, interest, dividends and consortium tax relief totaling £34.4 million.

Principal, Maturity and Interest

The Dollar Notes are being initially offered in an aggregate principal amount of \$500,000,000 and will be issued in minimum denominations of \$200,000 and integral multiples of \$1,000 in excess thereof. The Sterling Notes are being initially offered in an aggregate principal amount of £650,000,000 and will be issued in minimum denominations of £100,000 and integral multiples of £1,000 in excess thereof. The Notes will mature on January 15, 2021.

Interest on the Dollar Notes will accrue at the rate of 5.25% per annum. Interest on the Sterling Notes will accrue at the rate of 5.50% per annum. Each Note we issue will bear interest beginning on the date of issuance thereof, or from the most recent date to which interest has been paid or provided for. The Issuer will pay interest semi-annually in arrears to Holders of Notes of record at the close of business on January 1 and July 1 immediately preceding the interest payment date on January 15 and July 15 of each year. The first interest payment date is July 15, 2011 and interest on the Notes accrues from the Closing Date. Interest on the Notes will be computed on the basis of a 360-day year of twelve 30-day months.

Indenture May Be Used for Future Issuances

From time to time, the Issuer may issue additional Notes of any series having identical terms and conditions to the Notes it is currently offering (the “Additional Notes”). The Issuer is permitted to issue such Additional Notes only if at the time of such issuance the Company and the Restricted Subsidiaries, including the Issuer, are in compliance with the covenant described below under “—Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness.” Any Additional Notes may be treated with the Notes as a single class and may vote on all matters with such Notes except as described under the caption “—Amendment, Supplement and Waiver.”

Paying Agents and Registrar

The Trustee will initially act as Paying Agent and Registrar for the Notes. In addition, if and for so long as the Notes are listed on the Luxembourg Stock Exchange and traded on the Euro MTF market of the Luxembourg Stock Exchange and the rules of such exchange so require, the Issuer shall have appointed a Person located in Luxembourg reasonably acceptable to the Trustee as an additional paying agent and transfer agent for the Notes. The Issuer may change the Paying Agent or Registrar for the Notes without prior notice to the Holders of the Notes. However, if and for so long as the Notes are listed on the Luxembourg Stock Exchange and traded on the Euro MTF market of the Luxembourg Stock Exchange and the rules of such exchange so require, the Issuer will publish notice of the change in the Paying Agent and Registrar in a daily newspaper with general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange (*www.bourse.lu*).

The Issuer undertakes that it will ensure that it maintains a paying agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the European Union Directive 2003/48/EC regarding the taxation of savings income (the “Directive”).

Transfer and Exchange

A Holder may transfer or exchange Notes in accordance with the indenture and the procedures described in “Transfer Restrictions.” The registrar and the trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents reasonably satisfactory to them and the Issuer may require a Holder to pay any taxes and fees required by law or permitted by the indenture. The Issuer is not required to transfer or exchange any Note selected for redemption. Also, the Issuer is not required to transfer or exchange any Note (1) for a period of 15 days before a selection of Notes to be redeemed or (2) tendered and not withdrawn in connection with a Repurchase Offer or an Excess Proceeds Offer.

Optional Redemption with a Make-Whole

The Issuer may choose to redeem each series of Notes, either together or separately, at any time, in whole or in part, on not less than 10 nor more than 60 days’ prior notice, by paying a redemption price equal to the sum of:

- (a) 100% of the principal amount of the Notes to be redeemed, plus
- (b) the Applicable Premium,

plus accrued and unpaid interest thereon, if any, to the redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date).

For purposes of the optional redemption provision, the Dollar Notes and the Sterling Notes will each be treated as a separate series.

Payments of Additional Amounts

All payments made under or with respect to the Notes or the Note Guarantees shall be made free and clear of, and without withholding or deduction for or on account of, any present or future tax, duty, levy, impost, assessment or other governmental charge (including related penalties, interest and other liabilities) (hereinafter, “Taxes”) imposed or levied by or on behalf of (1) the government of the United Kingdom, (2) the United States, (3) any other jurisdiction in which the Issuer or any Note Guarantor is organized or is otherwise resident for tax purposes, (4) any jurisdiction from or through which payment is made and (5) any political subdivision or governmental authority or agency of or in any of the foregoing having the power to tax (each, a “Relevant Taxing Jurisdiction”), unless the Issuer or any Note Guarantor is required to withhold or deduct Taxes by law or by the interpretation or administration thereof.

If the Issuer or a Note Guarantor is so required to withhold or deduct any amount for or on account of Taxes imposed by a Relevant Taxing Jurisdiction from any payment made under or with respect to the Notes or the Note Guarantees, the Issuer or the applicable Note Guarantor shall pay such additional amounts (“Additional Amounts”) as may be necessary so that the net amount received by the Holders and beneficial owners (including Additional Amounts) after such withholding or deduction will not be less than the amount the Holders and beneficial owners would have received if such Taxes had not been withheld or deducted; provided, however, that the foregoing obligation to pay Additional Amounts does not apply to:

(1) any Taxes that would not have been so imposed but for the existence of any present or former connection between the relevant Holder or beneficial owner (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of power over, the relevant Holder or beneficial owner, if the relevant Holder or beneficial owner is an estate, nominee, trust, partnership or corporation) and the Relevant Taxing Jurisdiction (other than the mere receipt of such payment or the ownership or holding of such Note);

(2) any estate, inheritance, gift, sales, excise, transfer, personal property Tax or similar Tax;

(3) any Taxes which are payable otherwise than by withholding from payments of (or in respect of) principal of, or any premium or interest on, the Notes;

(4) any Taxes that are imposed or withheld by reason of the failure to comply by the Holder or the beneficial owner of a Note with a request by the Issuer addressed to the Holder or such beneficial owner (A) to provide information concerning the nationality, residence, identity or present or former connection with a Relevant Taxing Jurisdiction of the Holder or such beneficial owner or (B) to make any declaration or other similar claim or satisfy any certification, information or reporting requirement, which, in the case of (A) or (B), is required or imposed by a statute, treaty, regulation or administrative practice of the Relevant Taxing Jurisdiction as a precondition to exemption from all or part of such Tax;

(5) any withholding or deduction imposed on a payment to an individual required to be made pursuant to the Directive or any law implementing, or introduced in order to conform to, such Directive; or

(6) any combination of items (1), (2), (3), (4) and (5) above.

The Issuer or such Note Guarantor also will not be required to pay Additional Amounts:

(i) if the payment could have been made without deduction or withholding if the beneficiary of the payment had presented the Note for payment within 30 days after the date on which such payment or such Note became due and payable or the date on which payment thereof is duly provided for, whichever is later (except to the extent that such beneficiary would have been entitled to Additional Amounts had the Note been presented on the last day of the 30-day period),

(ii) with respect to any payment of principal of (or premium, if any, on) or interest on such Note to any Holder who is a fiduciary or partnership or any Person other than the sole beneficial owner of such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such a partnership or the beneficial owner of such payment would not have been entitled to the Additional Amounts had such beneficiary, settlor, member or beneficial owner been the actual Holder of such Note, or

(iii) if the Note is presented for payments by or on behalf of a Holder or beneficial owner who would be able to avoid a withholding or deduction by presenting the relevant Note to another paying agent in a Member State.

If the Issuer or any Note Guarantor will be obligated to pay Additional Amounts with respect to any payment under or with respect to the Notes or the relevant Note Guarantee, as applicable, the Issuer or such Note Guarantor, as applicable, will deliver to the Trustee at least 10 days prior to the date of that payment (unless the obligation to pay Additional Amounts arises after the 10th day prior to that payment date, in which case the Issuer or the Note Guarantor, as applicable, shall notify the Trustee promptly thereafter but in no event later than

two Business Days prior to the date of payment) notice of payment in the form of an Officer's Certificate. In either circumstance, the Officer's Certificate must state that Additional Amounts will be payable and the amount so payable. The Officer's Certificate must also set forth any other information necessary to enable the paying agent to pay Additional Amounts to Holders and beneficial owners on the relevant payment date.

The Issuer or any Note Guarantor will (i) make such withholding or deduction and (ii) remit the full amount deducted or withheld to the Relevant Taxing Jurisdiction in accordance with applicable law. The Issuer will provide the Trustee with official receipts or other documentation satisfactory to the Trustee evidencing the payment of the Taxes with respect to which Additional Amounts are paid. Certificated copies of such receipts and such other documentation shall be made available to Holders upon request and will be made available at the offices of the Paying Agent if the Notes are then listed on the Luxembourg Stock Exchange. The Issuer will attach to such copies an Officer's Certificate stating (x) that the amount of withholding Taxes evidenced by such copies was paid in connection with any payment made under or with respect to the Notes or any Note Guarantee and (y) the amount of such withholding Taxes paid per \$1,000 or £1,000 of Notes.

Whenever in this "Description of Notes" there is mentioned, in any context:

- the payment of principal,
- purchase prices in connection with a purchase of Notes,
- interest, or
- any other amount payable on or with respect to any of the Notes or any Note Guarantee,

that reference shall be deemed to include payment of Additional Amounts provided for in this section to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The Issuer or a Note Guarantor will pay any present or future stamp, court or documentary taxes or any other excise or property taxes, charges or similar levies that arise in any jurisdiction from the execution, delivery, enforcement or registration of the Notes, the Note Guarantees, the Indenture or any other related document or instrument, or the receipt of any payments with respect to the Notes or the Note Guarantees, excluding taxes, charges or similar levies imposed by any jurisdiction that is not a Relevant Taxing Jurisdiction, and the Issuer will agree to indemnify the Holders or the Trustee for any such taxes paid by the Holders or the Trustee.

The preceding provisions will survive any termination, defeasance or discharge of the Indenture and shall apply mutatis mutandis to any jurisdiction in which any successor Person to the Issuer or any Note Guarantee is organized or any political subdivision or taxing authority or agency thereof or therein.

Optional Redemption for Tax Reasons

The Issuer may, at its option, redeem all, but not less than all, of each series of the then-outstanding Notes at any time upon giving not less than 10 nor more than 60 days' notice to the Holders (which notice shall be irrevocable), at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest thereon, if any, to the redemption date (a "Tax Redemption Date") and all Additional Amounts, if any, that will become due on the Tax Redemption Date as a result of such redemption or otherwise (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date), if the Issuer determines in good faith that (1) it, or any Note Guarantor, with respect to a Note Guarantee, as the case may be, has become obligated or, on the occasion of the next payment due in respect of a series of the Notes, would be obligated to pay Additional Amounts with respect to any payment under or with respect to a series of the Notes or the relevant Note Guarantee, as applicable, and (2) the payment obligation cannot be avoided by the Issuer taking reasonable measures available to it (including making payment through a paying agent located in another jurisdiction), as a result of:

- (A) any change in, or amendment to, the laws or treaties (or any regulations, protocols or rulings promulgated thereunder) of the United Kingdom, the United States or any other Relevant Taxing Jurisdiction affecting taxation, which change or amendment becomes effective on or after the date of issuance of such Note or Note Guarantee; or

(B) any change in position regarding the application, administration or interpretation of such laws, treaties, regulations, protocols or rulings (including a holding, judgment or order by a court of competent jurisdiction), which change in position becomes effective on or after the date of issuance of such Note or Note Guarantee.

The notice of redemption may not be given (a) earlier than 90 days prior to the earliest date on which the Issuer would be obligated to make a payment or withholding if a payment in respect of a series of the Notes were then due and (b) unless at the time such notice is given, such obligation to pay such Additional Amounts remains in effect. Prior to the publication or, where relevant, mailing of any notice of redemption of a series of the Notes pursuant to the foregoing, the Issuer will deliver to the Trustee an Officer's Certificate and Opinion of Counsel to the effect that the circumstances referred to above exist and the Issuer cannot avoid the obligation by taking reasonable measures available to it. The Trustee shall accept the Officer's Certificate and Opinion of Counsel as sufficient evidence of the satisfaction of the conditions precedent described above.

Sinking Fund

The Notes will not be entitled to the benefit of any sinking fund.

Selection

If the Issuer partially redeems any series of the Notes, the Trustee will select the Notes in such series to be redeemed on a pro rata basis, by lot or by such other method as the Trustee in its sole discretion shall deem to be fair and appropriate (and in such manner that complies with applicable legal and exchange requirements). No Note of \$200,000 in original principal amount or less (in the case of the Dollar Notes) or £100,000 in original principal amount or less (in the case of the Sterling Notes) will be redeemed in part. If the Issuer redeems any Note in part only, the notice of redemption relating to such Note shall state the portion of the principal amount thereof to be redeemed. In case of a Definitive Note, a new Note in principal amount equal to the unredeemed portion thereof will be issued in the name of the Holder thereof upon cancellation of the original Note. In case of a global Note, an appropriate notation will be made on such Note to decrease the principal amount thereof to an amount equal to the unredeemed portion thereof. On and after the redemption date, interest will cease to accrue on Notes or portions thereof called for redemption so long as the Issuer has deposited with any paying agent funds sufficient to pay the principal of, plus accrued and unpaid interest thereon, if any, on the Notes to be redeemed (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Other Indebtedness

Assuming that the issuance of the Notes and the Note Guarantees and the application of the proceeds therefrom were completed as of December 31, 2010, the Company, the Issuer and the other Restricted Subsidiaries would have had the following outstanding indebtedness (other than intercompany indebtedness owed to other members of the Virgin Media group):

(1) with respect to the Issuer, no indebtedness other than the Notes, the Existing Senior Secured Notes and the guarantee of all obligations under the Existing Credit Facility;

(2) with respect to the Company, £1,150.0 million of indebtedness under the Existing Credit Facility (including guarantees thereof) based on sterling equivalent amounts on December 31, 2010, £234.2 million available to be borrowed thereunder after giving effect to £15.8 million of outstanding letters of credit, £1,495.4 million of indebtedness under the Existing Senior Secured Notes, and £2,067.9 million under the senior subordinated guarantees in respect of the Existing Notes, in addition to the obligations under the Notes; and

(3) with respect to the Restricted Subsidiaries (other than the Issuer, the Company and Virgin Media Investments Limited), £1,150.0 million of indebtedness under the Existing Credit Facility (including

guarantees thereof) based on sterling equivalent amounts on December 31, 2010, £1,495.4 million of indebtedness under the Existing Senior Secured Notes, and £246.7 million of other Indebtedness in addition to the obligations under the Notes.

Although the Indenture will limit the Incurrence of Indebtedness by the Company, the Issuer and the other Restricted Subsidiaries, such limitation is subject to a number of significant qualifications. The Company, the Issuer and the other Restricted Subsidiaries will be able to Incur additional Indebtedness. Such Indebtedness may be senior indebtedness or may be effectively senior to the Notes, the Company Guarantee and the Subsidiary Guarantees. See “—Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness” below. The Indenture does not limit the Incurrence of Indebtedness by Parent, VM FinanceCo or any Unrestricted Subsidiary.

The ability of the Issuer to service its Indebtedness, including the Notes, is dependent upon the earnings of the Company and its Subsidiaries and the ability of the Subsidiaries of the Company to distribute earnings to the Company as dividends, loans or other payments and then the Company’s ability to distribute those earnings as contributions, loans or other payments to the Issuer. In particular, the ability of Subsidiaries of the Company to transfer funds to the Company (in the form of cash dividends, loans, advances or otherwise) may be limited by financial assistance rules, corporate benefit laws, other corporate laws, banking or other regulations. For example, restrictions under English company law prohibit Subsidiaries that are incorporated in England and Wales from paying dividends except out of profits legally available for distribution. If these restrictions are applied to the Subsidiaries of the Company, then the Company would not be able to use the earnings of those Subsidiaries to make payments on the Notes to the extent that such earnings cannot otherwise be paid lawfully to the Company (directly or through Subsidiaries of the Company). In addition, contractual obligations of the Subsidiaries of the Company, including financing arrangements such as the Existing Credit Facility and the Existing Senior Secured Notes, limit and may in the future limit the ability of Subsidiaries to transfer funds to the Company. As noted above, agreements relating to future Indebtedness of the Subsidiaries of the Company, including capital markets Indebtedness, may include such limitations.

Note Guarantees

Except as described in “—Covenant Suspension and Release of Guarantees and Collateral,” each of the Note Guarantors will fully and unconditionally guarantee the performance and full and punctual payment when due, whether at Stated Maturity, by acceleration or otherwise, of all obligations of the Issuer under the Indenture (including obligations to the Trustee) and the Notes, whether for payment of principal of or interest on or in respect of the Notes, expenses, indemnification or otherwise (all such obligations being herein referred to as the “Guaranteed Obligations”). Each of the Note Guarantees will be limited to an amount not to exceed the maximum amount that can be Guaranteed by the relevant Note Guarantor, without rendering the Note Guarantee voidable under applicable law relating to ultra vires, corporate benefit, fraudulent conveyance, fraudulent transfer or similar laws affecting the rights of creditors generally) or other considerations under applicable law.

Not all Note Guarantees described below may be granted on the Closing Date. The Indenture will provide that the Company shall procure that each of the Note Guarantors shall provide Note Guarantees within 10 days of the Closing Date, *provided* that Note Guarantors representing at least 75% of the EBITDA of the Company and the Restricted Subsidiaries on a combined basis for the fiscal year ended December 31, 2009 shall have provided Note Guarantees on or before the Closing Date.

Each Subsidiary of Parent that is currently guaranteeing the Existing Credit Facility will be, on the Closing Date or within 10 days of the Closing Date, providing a Note Guarantee for the benefit of the Notes. The Existing Credit Facility requires that members of the Bank Group which generate not less than 80% of the consolidated operating cash flow of the Bank Group (as tested by reference to the annual financial information of the Bank Group) act as guarantors under the Existing Credit Facility. The Bank Group is substantially similar to the Company and the Restricted Subsidiaries.

The Parent Guarantee will be granted on a senior unsecured basis. The Company Guarantee will be secured by Liens on substantially all of the assets of the Company being substantially the same assets as those on which

Liens have been granted in respect of the Existing Credit Facility (subject to any Permitted Liens) and will share in any enforcement proceeds on a pari passu basis therewith. The VM FinanceCo Guarantee will be secured by Liens on substantially all of the assets of VM FinanceCo being substantially the same assets as those on which Liens have been granted in respect of the Existing Credit Facility and the Existing Senior Secured Notes (subject to any Permitted Liens) and will share in any enforcement proceeds on a pari passu basis therewith. The Subsidiary Guarantees will be secured by Liens on substantially all of the assets of the Subsidiary Guarantors taken as a whole, being substantially the same assets as those on which Liens have been granted in respect of the Existing Credit Facility and the Existing Senior Secured Notes (subject to any Permitted Liens) and will share in any enforcement proceeds on a pari passu basis therewith.

Each of the secured Note Guarantees will be effectively senior to any existing or future unsecured Indebtedness of the relevant Note Guarantor to the extent of the value of the Collateral securing such Note Guarantor's obligations under the Note Guarantee and other Secured Indebtedness. See under "—Certain Covenants—During the Suspension Period—Limitation on Guarantees of Indebtedness by Restricted Subsidiaries."

Additional Subsidiary Guarantees

Under limited circumstances, certain additional entities may be required to provide Additional Subsidiary Guarantees by executing and delivering to the Trustee a supplemental indenture in the form attached to the Indenture (along with an officer's certificate and opinion of counsel as the Trustee may reasonably require). See under "—Certain Covenants—During the Suspension Period—Limitation on Guarantees of Indebtedness by Restricted Subsidiaries." Each such Additional Subsidiary Guarantor will, jointly and severally, with the Note Guarantors and each other Additional Subsidiary Guarantor, fully and unconditionally guarantee the performance and full and punctual payment when due, whether at Stated Maturity, by acceleration or otherwise, of the Guaranteed Obligations.

The circumstances under which Additional Subsidiary Guarantees may be required are described below under "—Certain Covenants—During the Suspension Period—Limitation on Guarantees of Indebtedness by Restricted Subsidiaries" and "—Merger and Consolidation." The circumstances under which a Restricted Subsidiary that is not a Note Guarantor would be required to become an Additional Subsidiary Guarantor are limited. If a Restricted Subsidiary that is not a Note Guarantor provides a guarantee for the benefit of the Existing Credit Facility, such Restricted Subsidiary will also be required to provide an Additional Subsidiary Guarantee.

Each Additional Subsidiary Guarantee will be limited under its Additional Subsidiary Guarantee to an amount not to exceed the maximum amount that can be Guaranteed by each Additional Subsidiary Guarantor, without rendering such Additional Subsidiary Guarantee voidable under applicable law relating to ultra vires, corporate benefit, fraudulent conveyance, fraudulent transfer or similar laws affecting the rights of creditors generally) or other considerations under applicable law. Any Additional Subsidiary Guarantee shall be issued on substantially the same terms as the Subsidiary Guarantees. For purposes of the Indenture and this "Description of Notes," references to the Subsidiary Guarantees include references to any Additional Subsidiary Guarantees and references to the Note Guarantors include references to any Additional Subsidiary Guarantors.

Release of Guarantees

Subject to the following paragraph and the terms of the Intercreditor Deeds, each Note Guarantee, once it becomes due, is a continuing guarantee and shall (a) remain in full force and effect until payment in full of all the Guaranteed Obligations, (b) be binding upon each Note Guarantor and its successors and (c) inure to the benefit of, and be enforceable by, the Trustee, the Holders and their successors, transferees and assigns.

The Indenture will provide that each Note Guarantee by a Note Guarantor will be automatically and unconditionally released and discharged, and each Note Guarantor and its obligations under the Note Guarantee, the Indenture, the Collateral Documents and the Intercreditor Deeds will be released and discharged:

- (1) upon the defeasance or discharge of the Notes as provided in "—Defeasance" or "—Satisfaction and Discharge," in each case in accordance with the terms of the Indenture;

(2) upon an enforcement action, pursuant to the terms of the Group Intercreditor Deed (see “Description of the Intercreditor Deeds—Group Intercreditor Deed—Release of Collateral”);

(3) with respect to an Additional Subsidiary Guarantee given under the covenant captioned “Certain Covenants—During the Suspension Period—Limitation on Guarantees of Indebtedness by Restricted Subsidiaries,” upon release of the guarantee that gave rise to the requirement to issue such Additional Subsidiary Guarantee so long as no Event of Default would arise as a result and no other Indebtedness that would give rise to an obligation to give an Additional Subsidiary Guarantee is at that time guaranteed by the relevant Subsidiary Guarantor; and

(4) with respect to Subsidiary Guarantors only, upon:

(a) any sale, exchange, transfer or disposition of (whether by merger, consolidation or the sale of) the Capital Stock of such Subsidiary Guarantor after which the applicable Subsidiary Guarantor is no longer a Restricted Subsidiary or the sale of all or substantially all the assets (other than by lease) of such Subsidiary Guarantor, whether or not such Subsidiary Guarantor is the surviving corporation in such transaction to a Person which is not the Company or a Restricted Subsidiary; *provided* that such sale, exchange, transfer or disposition is made in compliance with the Indenture, including the covenants “Certain Covenants—During the Reinstatement Period—Limitation on Sales of Assets and Subsidiary Stock” (it being understood that only such portion, if any, of the Net Available Cash as is required to be applied on or before the date of such release in accordance with the terms of the Indenture needs to be applied in accordance therewith at such time) and “—Merger and Consolidation;”

(b) the release or discharge of such Subsidiary Guarantor from its Guarantee of Indebtedness of the Company and the Subsidiary Guarantors under the Existing Credit Facility or any Pari Passu Lien Obligation (including by reason of the termination of the Existing Credit Facility or any Pari Passu Lien Obligation) and/or the Guarantee that resulted in the obligation of such Subsidiary Guarantor to guarantee the Notes, if such Subsidiary Guarantor would not then otherwise be required to guarantee the Notes pursuant to the Indenture (and treating any Guarantees of such Subsidiary Guarantor that remain outstanding as Incurred at least 30 days prior to such release or discharge), except a discharge or release by or as a result of payment under such Guarantee; *provided* that if such Person has Incurred any Indebtedness or issued any Preferred Stock or Disqualified Stock in reliance on its status as a Subsidiary Guarantor under the covenant “Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness,” such Subsidiary Guarantor’s obligations under such Indebtedness, Disqualified Stock or Preferred Stock, as the case may be, so Incurred are satisfied in full and discharged or are otherwise permitted to be Incurred by a Restricted Subsidiary (other than a Subsidiary Guarantor) under “Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness;” or

(c) the proper designation of any Restricted Subsidiary that is a Subsidiary Guarantor as an Unrestricted Subsidiary;

(5) in the case of clause (4)(a) above only, such Subsidiary Guarantor delivering to the Trustee an Officers’ Certificate and an Opinion of Counsel, each stating that all conditions precedent provided for in the Indenture relating to such transaction have been complied with; and

(6) as provided for in “—Covenant Suspension and Release of Guarantees and Collateral.”

The Trustee is authorized by the Holders to take all necessary actions, including the granting of releases or waivers under the Intercreditor Deeds, to effectuate any release in accordance with these provisions, subject to customary and reasonably satisfactory protections and indemnifications.

Neither the Issuer nor any of the Note Guarantors will be required to make a notation on the Notes to reflect the Note Guarantees or any such release, termination or discharge. In the event that a Note Guarantor is released

from its obligations under a Note Guarantee at a time when the Notes are listed on the Luxembourg Stock Exchange, the Issuer will, to the extent required by the rules of the Luxembourg Stock Exchange, publish notice of the release of the Note Guarantee in a daily leading newspaper with general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange (www.bourse.lu) and send a copy of such notice to the Luxembourg Stock Exchange.

Security for the Notes

General

The Notes and the secured Note Guarantees will be secured by Liens on substantially all of the assets of the Company, the Issuer and each of the Note Guarantors (except for the Parent), being substantially the same assets as those on which Liens have been granted in respect of the Indebtedness under the Existing Credit Facility, the Existing Senior Secured Notes and future Secured Indebtedness (subject to any Permitted Liens) and will share in any enforcement proceeds on a *pari passu* basis therewith.

The Collateral includes substantially all of the assets of the Issuer, the Company and each of the Subsidiary Guarantors, other than the Excluded Assets. The Existing Credit Facility requires that members of the Bank Group which generate not less than 80% of the consolidated operating cash flow of the Bank Group (as tested by reference to the annual financial information of the Bank Group) act as guarantors under the Existing Credit Facility and such members are required to grant first ranking security over all or substantially all of their assets to secure the payment of all sums payable under the Existing Credit Facility. The Bank Group is substantially similar to the Company and the Restricted Subsidiaries. The Collateral secures the Existing Senior Secured Notes and will also secure any Additional Notes. The Collateral may also secure other Indebtedness of the Company or any Restricted Subsidiary, including any *Pari Passu* Lien Obligations, which may share in the Collateral on a *pari passu* basis. The Incurrence of such Indebtedness will be limited by the covenants of the Indenture. See also “—Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness” and “—Certain Covenants—During the Suspension Period—Limitation on Liens.” The amount of such additional Secured Indebtedness could be significant.

Not all of the Collateral may be granted on the Closing Date. The Company shall procure that each of the applicable Note Guarantors shall provide the Liens described in this Offering Memorandum within 10 days of the Closing Date; *provided* that Note Guarantors representing at least 50% of the EBITDA of the Company and the Restricted Subsidiaries on a combined basis for the fiscal year ended December 31, 2009 shall have granted Liens on their assets to secure payment of the notes on or before the Closing Date.

Any other additional security interests that may in the future be pledged to secure obligations under the Notes and the Indenture would also constitute Collateral.

Subject to certain conditions, including compliance with the covenant described under “—Certain Covenants with Respect to the Collateral—Impairment of Security Interests,” the Company and the Restricted Subsidiaries are permitted to pledge the Collateral in connection with future issuances of any Indebtedness, including any Additional Notes, in each case permitted under the Indenture and on terms consistent with the relative priority of such Indebtedness. In addition to the release provisions described below, the Liens will cease to exist by operation of law or will be released, depending on the type of security interest, upon the defeasance or discharge of the Notes as provided in “—Defeasance” or “—Satisfaction and Discharge,” in each case in accordance with the terms and conditions of the Indenture.

The Liens over some or all of the Collateral may also be released in circumstances described under “—Release” and “—Covenant Suspension and Release of Guarantees and Collateral.”

No appraisals of any of the Collateral have been prepared by or on behalf of the Company, the Issuer or any other Note Guarantor in connection with the issuance of the Notes. There can be no assurance that the proceeds from the sale of the Collateral remaining after sharing with other creditors entitled to share in such proceeds would be sufficient to satisfy the obligations owed to the holders of the Notes. By its nature, some or all of the

Collateral will be illiquid and may have no readily ascertainable market value. Accordingly, there can be no assurance that the Collateral will be able to be sold in a short period of time, if at all. In addition, the Group Intercreditor Deed places limitations on the ability of the Security Trustee to enforce the Collateral. See “Description of the Intercreditor Deeds—Group Intercreditor Deed.” Each Holder will be deemed to have irrevocably appointed the Security Trustee to act as its agent and security trustee under the Intercreditor Deeds and the Collateral Documents.

Priority

The relative priority among the Senior Liabilities, our secured hedging liabilities, the subordinated guarantees granted by VMIH and Virgin Media Investments Limited with respect to the Existing Notes and certain intra-group liabilities is established by the terms of the Intercreditor Deeds. See “Description of the Intercreditor Deeds.” In addition, pursuant to Additional Intercreditor Deeds entered into after the Closing Date in compliance with the Indenture, the Collateral may be pledged to secure other Indebtedness. See “—Certain Covenants with Respect to the Collateral—Impairment of Security Interests.”

Collateral Documents

The Company, the Issuer, VM FinanceCo and the Subsidiary Guarantors and, in each case, the Security Trustee will enter into Collateral Documents specifying the terms of the Liens that secure the obligations under the Notes and the Note Guarantees. Subject to the terms of, and limitations under, the Collateral Documents, these security interests will secure the payment and performance when due of the obligations of the Issuer and the relevant Note Guarantors under the Notes, the Note Guarantees, the Indenture and the Collateral Documents.

Each Collateral Document is governed by the laws of the jurisdiction in which the assets that constitute the Collateral are located in which comprise England, New York and Scotland. The Collateral Documents provide that the rights thereunder must be exercised by the Security Trustee. Since the Holders are not parties to the Collateral Documents, they may not, individually or collectively, take any direct action to enforce any rights in their favor under the Collateral Documents. The Holders may only act by instructing the Trustee to act through the Security Trustee.

Subject to the terms of the Senior Finance Documents (as defined in the Group Intercreditor Deed), the Collateral Documents may be amended with the consent of the Instructing Party (as defined in the Group Intercreditor Deed); *provided* that any amendment which would affect (i) the nature or the scope of the Collateral or (ii) the manner in which the proceeds of any enforcement are distributed, requires the consent of all of the Senior Lenders (as defined in the Group Intercreditor Deed) and the related hedge counterparties; and, *provided* further that no new or additional obligations may be imposed upon any person that is party to such Collateral Documents without the consent of that person. For a description of what amendments require consent under the Indenture, see “—Amendment, Supplement and Waiver.”

Subject to the terms of the Indenture and the Collateral Documents, the Issuer and the Note Guarantors will have the right to remain in possession and retain exclusive control of the Collateral securing the Notes, to freely operate the Collateral and to collect, invest and dispose of any income therefrom.

Limitations on the Collateral

The Capital Stock and other securities of a Subsidiary of the Company or the Affiliate Guarantors (other than Virgin Media Investments Limited and VMIH), that are owned by the Company or any Note Guarantor will constitute Collateral only to the extent that such Capital Stock and other securities can secure the Notes without Rule 3-16 of Regulation S-X under the Securities Act (or any other law, rule or regulation) requiring separate financial statements of such Subsidiary to be filed with the SEC (or any other governmental agency). In the event that Rule 3-16 of Regulation S-X under the Securities Act requires or is amended, modified or interpreted by the SEC to require (or is replaced with another rule or regulation, or any other law, rule or regulation is adopted, which would require) the filing with the SEC (or any other governmental agency) of separate financial statements

of any such Subsidiary, due to the fact that such Subsidiary's Capital Stock and other securities secure the Notes, then the Capital Stock and other securities of such Subsidiary shall automatically be deemed not to be part of the Collateral (but only to the extent necessary to not be subject to any such financial statement requirement and only for so long as such financial statement requirement would otherwise have been applicable to such Subsidiary). In such event, the Collateral Documents may be amended or modified, without the consent of any Holder, to the extent necessary to release the security interests in the shares of Capital Stock and other securities that are so deemed to no longer constitute part of the Collateral.

In the event that Rule 3-16 of Regulation S-X under the Securities Act permits or is amended, modified or interpreted by the SEC to permit (or is replaced with another rule or regulation, or any other law, rule or regulation is adopted, which would permit) such Subsidiary's Capital Stock and other securities to secure the Notes in excess of the amount then pledged without the filing with the SEC (or any other governmental agency) of separate financial statements of such Subsidiary, then the Capital Stock and other securities of such Subsidiary shall automatically be deemed to be a part of the Collateral (but only to the extent necessary to not be subject to any such financial statement requirement). In such event, the Collateral Documents may be amended or modified, without the consent of any Holder, to the extent necessary to subject to the Liens under the Collateral Documents such additional Capital Stock and other securities.

In accordance with the limitations set forth in the two immediately preceding paragraphs, the Collateral will include shares of Capital Stock and other securities of Subsidiaries of the Company and the Affiliate Guarantors only to the extent that the applicable value of such Capital Stock and other securities (on a Subsidiary-by-Subsidiary basis) is less than 20% of the aggregate principal amount of the Notes outstanding. Therefore, following the Closing Date, the portion of the Capital Stock and other securities of such Subsidiaries constituting Collateral may decrease or increase as described above. This limitation does not apply to any pledges of the Capital Stock and other securities of Virgin Media Investments Limited and VMIH. The taking of any enforcement action by the Security Trustee at a level where the Collateral may be limited due to the limitation outlined in the foregoing paragraphs could be limited by the terms of the Group Intercreditor Deed. See "Description of the Intercreditor Deeds—Group Intercreditor Deed."

Regardless of the limitations on the Collateral securing the Notes as outlined in the foregoing paragraphs, the Liens on such Capital Stock or other securities securing the Existing Credit Facility and other future Secured Indebtedness will not be released and will remain in force with respect to such property. See "Risk Factors—Risks relating to the notes and our capital structure—Pledges of shares and other securities may be limited in amount with respect to the notes."

The Liens will further be limited as necessary to recognize certain defenses generally available to providers of Liens (including those that relate to fraudulent conveyance or transfer, thin capitalization, voidable preference, financial assistance, corporate purpose, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally) or other considerations under applicable law. See "Risk Factors—Risks relating to the notes and our capital structure—Laws relating to preferences, transactions at an undervalue corporate benefit may adversely affect the validity and enforceability of payments under the guarantees of the notes by the guarantors."

Security Trustee

The lenders under the Existing Credit Facility and the Existing Senior Secured Notes, certain secured hedge counterparties and the Trustee have and, by accepting a Note, each Holder will be deemed to have (i) irrevocably appointed the Security Trustee to act as its agent and security trustee under the Intercreditor Deeds and the Collateral Documents and, (ii) irrevocably authorized the Security Trustee to (A) perform the duties and exercise the rights, powers and discretions that are specifically given to it under the Group Intercreditor Deed or the Collateral Documents, together with any other incidental rights, power and discretions; and (B) execute each Collateral Document, waiver, modification, amendment, renewal or replacement expressed to be executed by the Security Trustee on its behalf.

For a description of the authority and function of the Security Trustee, see “Description of the Intercreditor Deeds—Group Intercreditor Deed—Security Trustee Authorization.”

Enforcement of Security Interest

The ability of the Security Trustee to enforce the Liens is restricted by the terms of the Group Intercreditor Deed and will be at the discretion of the lenders representing 66⅔% of all outstandings under the Existing Credit Facility until certain conditions are met. See “Description of the Intercreditor Deeds—Group Intercreditor Deed—Instructing Party.”

Certain Covenants with Respect to the Collateral

The Collateral will be pledged pursuant to the Collateral Documents, which contain provisions relating to identification of the Collateral and the creation of the Liens on the relevant Note Guarantors’ properties and assets. The following is a summary of some of the covenants and provisions set forth in the Collateral Documents and the Indenture as they relate to the Collateral.

Further Assurances

The Collateral Documents generally provide that each Note Guarantor that is providing Liens is required to execute such further security interests and assurances in favor of the Security Trustee and/or the secured creditors and do all such acts and things as the Security Trustee from time to time may reasonably require over or in relation to all of the Collateral to secure the secured obligations or to perfect or protect the security intended to be created by the Collateral Documents or, in connection with the enforcement of a Lien, to facilitate the realization of the enforcement.

Impairment of Security Interests

Neither the Company nor any Restricted Subsidiary will take or omit to take any action which would materially adversely affect or impair the Liens in favor of the Security Trustee, the Trustee and the Holders with respect to the Collateral (it being understood that the Incurrence of Permitted Liens or other actions permitted as described under “—Certain Covenants—During the Suspension Period” and “—Certain Covenants—During the Reinstatement Period” shall under no circumstances be deemed to materially impair the Security Interest with respect to the Collateral). Neither the Company nor any Restricted Subsidiary shall grant to any Person, or permit any Person to retain (other than the Security Trustee, for the benefit of the Trustee and the Holders and the other beneficiaries described in the Collateral Documents), any interest whatsoever in the Collateral, other than Permitted Liens. Notwithstanding the foregoing, the Collateral may be discharged and released, and the Collateral Documents amended accordingly, pursuant to the terms of the Indenture, the Intercreditor Deeds or any Additional Intercreditor Deeds, *provided, however*, that, following an Enforcement Control Event, no Collateral Document may be amended, extended, renewed, restated, supplemented or otherwise modified or replaced, unless contemporaneously with any such action, either (i) the Company delivers to the Trustee a certificate from an officer of the relevant Person which confirms the solvency of the Person granting such Lien after giving effect to the transactions contemplated by such amendment, extension, renewal, restatement, supplement or other modification or replacement, and in the case of any company incorporated in England and Wales, it is not, and will not as a result of the incurrence of such Lien become unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or (ii) an opinion of counsel in form and substance reasonably satisfactory to the Security Agent and the Trustee, confirming that, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or release (followed by an immediate retaking of a lien of at least equivalent ranking over the same assets), the Lien or Liens created under the Collateral Documents, so amended, extended, renewed, restated, supplemented, modified or released and replaced are valid Liens not otherwise subject to any limitation, imperfection or new hardening period, in equity or at law, that such Lien or Liens were not otherwise subject to immediately prior to such amendment, extension, renewal, restatement, supplement, modification or replacement. The Trustee shall (subject to customary and reasonably satisfactory protections and indemnifications from the Issuer) consent to such amendments without the need for instructions from the Holders.

Neither the Company nor any Restricted Subsidiary will enter into any agreement that requires the proceeds received from any sale of Collateral to be applied to repay, redeem, defease or otherwise acquire or retire any Indebtedness of any Person, other than as permitted by the Indenture, the Notes, the Subsidiary Guarantees, the Collateral Documents and the Intercreditor Deeds. The Company will, and will cause each Subsidiary Guarantor to, at its sole cost and expense, execute and deliver all such agreements and instruments as necessary, or as the Trustee reasonably requests, to more fully or accurately describe the assets and property intended to be Collateral or the obligations intended to be secured by the Collateral Documents.

After-Acquired Property

The Company and the Restricted Subsidiaries may under certain circumstances be required to provide Liens over additional assets of the Issuer or the Note Guarantors in the future as described under “—Certain Covenants—During the Suspension Period—Limitation on Guarantees of Indebtedness by Restricted Subsidiaries” and “Description of Intercreditor Deeds.”

Release

The Liens on the Collateral will be released with respect to the Notes:

- (1) upon the defeasance or discharge of the Notes as provided in “—Defeasance” or “—Satisfaction and Discharge,” in each case in accordance with the terms of the Indenture;
- (2) upon an enforcement action pursuant to the terms of the Group Intercreditor Deed (see “Description of the Intercreditor Deeds—Group Intercreditor Deed—Release of Collateral”);
- (3) as to any property constituting Collateral (A) that is sold or otherwise disposed of by the Company or any of the Restricted Subsidiaries in a transaction permitted by “—Certain Covenants—During the Reinstatement Period—Limitation on Sales of Assets and Subsidiary Stock” and by the Collateral Documents, to the extent of the interest sold or disposed of, or otherwise not prohibited by the Indenture and the Collateral Documents; (B) otherwise in accordance with, and as expressly provided for under the Indenture; or (C) that no longer secures any obligations under the Existing Credit Facility or any Pari Passu Lien Obligations;
- (4) if the Collateral is owned by a Note Guarantor that is released from its Note Guarantee in accordance with the Indenture;
- (5) with the consent of Holders of at least seventy-five percent (75%) in aggregate principal amount of the Notes (including, without limitation, consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Notes); and
- (6) as provided for in “—Covenant Suspension and Release of Guarantees and Collateral.”

To the extent required by the Indenture for the release of principal properties that constitute Collateral, the Issuer will furnish to the Trustee, prior to each proposed release of such Collateral pursuant to the Collateral Documents and the Indenture, an Officer’s Certificate, an Opinion of Counsel and any other documentation reasonably required by the Trustee as required by the Indenture.

In addition, in connection with the incurrence of any Pari Passu Lien Obligations, the Company can request that all or part of the Liens on the Collateral with respect to the Notes be released under the then existing Collateral Documents if the Pari Passu Lien Obligations are to be secured on the Collateral under new collateral documents (the “Replacement Collateral Documents”); *provided* that the Security Trustee and the Trustee, for the benefit of the Holders, also enters into the Replacement Collateral Documents which provide for Liens on the Collateral which are equal, or substantially equal, to the Liens provided for the benefit of any Pari Passu Lien Obligations; and *provided* further that a board resolution be provided to the Trustee from any company granting any liens under any applicable Replacement Collateral Document certifying that, in the case of any company

incorporated in England and Wales, it is not, and will not as a result of the incurrence of such Lien become unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 (or successor law) or, for all other companies, it is solvent under the laws of its jurisdiction of incorporation. The Holders authorize and direct the Security Trustee and the Trustee, upon request of the Company, to so release any Liens on the Collateral, as required, and to enter into any such Replacement Collateral Documents. The entering into any Replacement Collateral Documents may result in renewed hardening periods under applicable law in the relevant jurisdictions and may limit the recovery in an enforcement proceeding. See “Risk Factors—Risks relating to the notes and our capital structure—There are circumstances other than repayment or discharge of the notes under which the security will be released automatically, without your consent” and “Risk Factors—Risks relating to the notes and our capital structure—Most of the operating covenants in the indenture are suspended and the collateral and guarantees supporting the notes may be subject to release for as long as the notes are rated investment grade by any two of Fitch, Moody’s or Standard & Poor’s.”

Upon compliance by the Issuer or the Note Guarantors, as the case may be, with the conditions precedent set forth above, as applicable, the Trustee or the Security Trustee shall as soon as reasonably practicable cause to be released and reconveyed to the Issuer, or its Note Guarantors, as the case may be, the released Collateral.

Repurchase at the Option of the Holders

Change of Control

Upon the occurrence of any of the following events (each a “Change of Control”), each Holder will have the right to require the Issuer to purchase all or any part of such Holder’s Notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest thereon, if any, to the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date); *provided, however*, that notwithstanding the occurrence of a Change of Control, the Issuer shall not be obligated to purchase the Notes pursuant to this section in the event that it has exercised its right to redeem all of the Notes under the terms of the sections titled “—Optional Redemption with a Make-Whole”:

(1) any “person” or “group” of related persons (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), except Parent or any Wholly Owned Subsidiary of Parent in the case of Voting Stock of the Company, is or becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that for purposes of this clause (1) such person or group shall be deemed to have “beneficial ownership” of all shares that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 50% of the total voting power of the Voting Stock of Parent, the Company or the Issuer (for the purposes of this clause (1), such person shall be deemed to beneficially own any Voting Stock of an entity held by any other entity (the “parent entity”), if such other person is the beneficial owner (as defined in this clause (1)), directly or indirectly, of more than 50% of the voting power of the Voting Stock of such parent entity);

(2) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board of Directors of Parent, the Company or the Issuer, as the case may be (together with any new directors whose election to such Board of Directors or whose nomination for election by the stockholders of such company was approved by a vote of a majority of the directors of such company then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the Board of Directors of Parent, the Company or the Issuer, as the case may be, then in office;

(3) the adoption of a plan relating to the liquidation or dissolution of Parent, the Company or the Issuer;
or

(4) the merger or consolidation of Parent, any Virgin Media Holding Company, the Company or the Issuer with or into another Person (other than Parent, any Virgin Media Holding Company, the Company or the Issuer or any other Wholly Owned Subsidiary of Parent) or the merger of another Person (other than

Parent, any Virgin Media Holding Company, the Company or the Issuer or any other Wholly Owned Subsidiary of Parent) with or into Parent, any Virgin Media Holding Company, the Company or the Issuer or the sale of all or substantially all the assets of Parent, any Virgin Media Holding Company, the Company or the Issuer to another Person (other than Parent, any other Virgin Media Holding Company, the Company or the Issuer or any other Wholly Owned Subsidiary of Parent), and, in the case of any such merger or consolidation, the securities of Parent, any Virgin Media Holding Company, the Company or the Issuer that are outstanding immediately prior to such transaction are changed into or exchanged for cash, securities or Property, unless pursuant to such transaction such securities are changed into or exchanged for, in addition to any other consideration, securities of the surviving Person or transferee that represent immediately after such transaction, at least a majority of the aggregate voting power of the Voting Stock of the surviving Person or transferee.

Notwithstanding the foregoing, a Change of Control shall not be deemed to have occurred if a Virgin Media Holding Company that is not then a Subsidiary of Parent becomes the ultimate parent of the Company and, if such Virgin Media Holding Company had been Parent, no Change of Control would have otherwise occurred; *provided, however*, that such Virgin Media Holding Company guarantees the Notes on a senior basis.

Parent and, subject to the limitations discussed below, the Company and the Issuer could, in the future, enter into certain transactions, including mergers, acquisitions, refinancings or recapitalizations, that would not constitute a Change of Control under the Indenture, but that could increase the amount of Indebtedness outstanding at such time or otherwise affect the Issuer's and the Company's capital structure or credit ratings. Restrictions on the ability of the Issuer and the Company to Incur additional Indebtedness or enter into such transactions are contained in the covenants described under "—Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness," "—Certain Covenants—During the Suspension Period—Limitation on Liens" and "—Merger and Consolidation." Such restrictions can only be waived with the consent of the Holders of a majority in principal amount of the Notes then outstanding. Except for the limitations contained in such covenants, however, the Indenture will not contain any covenants or provisions that afford Holders protection in the event of a highly leveraged transaction. In addition, you should note that recent case law suggests that, in the event that incumbent directors are replaced as a result of a contested election, issuers may nevertheless avoid triggering a change of control under a clause similar to clause (2) of the definition of "Change of Control" above, if the outgoing directors were to approve the new directors for the purpose of such change of control clause.

The occurrence of the events which would constitute a Change of Control could constitute a default or require prepayments under the agreement governing the Existing Credit Facility and the Existing Senior Secured Notes, although certain of the events that constitute a Change of Control under the Existing Credit Facility and the Existing Senior Secured Notes, and may cause a default or require prepayments thereunder, may not constitute a Change of Control under the Indenture. Future Indebtedness of the Issuer and the Company and their Subsidiaries may contain prohibitions with respect to certain events which would constitute a Change of Control or require such Indebtedness to be repurchased or repaid upon a Change of Control. Moreover, the exercise by the Holders of their right to require the Issuer to purchase the Notes could cause a default under such Indebtedness, even if the Change of Control itself does not, due to the financial effect of such repurchase on the Issuer. Finally, the Issuer's ability to pay cash to the Holders upon a purchase may be limited by the Issuer's then-existing financial resources. Sufficient funds may not be available when necessary to make any required purchases.

The Change of Control provisions described above may deter certain mergers, tender offers and other takeover attempts involving Parent, the Company, any Virgin Media Holding Company or the Issuer by increasing the capital required to effectuate such transactions. The definition of "Change of Control" includes a disposition of all or substantially all of the Property and assets of Parent, any Virgin Media Holding Company or the Company to other Persons (other than Parent, any Virgin Media Holding Company or the Issuer). There is no precise established definition of the phrase "substantially all" under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of "all or substantially all" of the Property or assets of a Person. As a result, it may be unclear as to whether a Change of Control has occurred and whether a Holder of the Notes may require the Issuer to make an offer to repurchase the Notes as described above.

A change in the Board of Directors as a result of a proxy contest may not be deemed a Change of Control.

Repurchase Offer Procedures

Within 30 days following any Change of Control giving rise to the obligations under this covenant or, at the Issuer's option, at any time prior to a Change of Control but following the public announcement thereof, the Issuer shall mail a notice to each Holder with a copy to the Trustee (the "Repurchase Offer") stating:

(1) that a Change of Control has occurred (or will occur) and that such Holder has the right to require the Issuer to repurchase all or a portion of such Holder's Notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest thereon, if any, to the date of repurchase (subject to the right of Holders of record on the relevant record date to receive interest on the relevant interest payment date);

(2) the circumstances and relevant facts regarding such Change of Control;

(3) if a Change of Control has been publicly announced but has not occurred at the time such notice is mailed, that the Repurchase Offer is conditioned on the consummation of such Change of Control occurring prior to or concurrent with the repurchase;

(4) the repurchase date (which shall be no earlier than 10 days nor later than 60 days from the date such notice is mailed); and

(5) the instructions determined by the Issuer, consistent with this covenant, that a Holder must follow in order to have its Notes repurchased.

The Issuer will not be required to make a Repurchase Offer upon a Change of Control if a third party makes the Repurchase Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Repurchase Offer made by the Issuer and purchases all Notes validly tendered and not withdrawn under such Repurchase Offer. The Issuer shall not be required to effect more than one Repurchase Offer, including repurchasing all Notes validly tendered and not withdrawn under such Repurchase Offer, for each Change of Control.

The Issuer will comply with the requirements of Section 14(e) of the Exchange Act and any applicable securities laws or regulations in connection with the repurchase of Notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant by virtue thereof.

The provisions under the Indenture obligating the Issuer to make an offer to repurchase the Notes as a result of a Change of Control may be waived or modified with the written consent of the Holders of a majority in aggregate principal amount of the Notes outstanding.

The Issuer's ability to repurchase the Notes upon a Change of Control may be limited by a number of factors. Even if sufficient funds were otherwise available, the terms of other Indebtedness may prohibit the Issuer's prepayment of the Notes. In the event that a Change of Control occurs at a time when the Company or the Restricted Subsidiaries are prohibited from repurchasing the Notes, the Company or any Restricted Subsidiary may seek to repay such Indebtedness, to obtain the consent of its lenders to repurchase the Notes or to refinance any borrowing that contains such prohibition. If such other Indebtedness is not repaid or such consent or refinancing is not obtained, the Issuer will be unable to fulfill its repurchase obligations if Holders exercise their rights following a Change of Control, thereby resulting in a default under the Indenture. A default under the Indenture may result in a cross default under such other Indebtedness.

Covenant Suspension and Release of Guarantees and Collateral

The Company has been informed by Fitch, Moody's and Standard & Poor's that their rating for the Notes will be an investment grade rating that would meet the level required under this "—Covenant Suspension and Release of Guarantees and Collateral" section. Ratings are not a recommendation to purchase, hold or sell securities and may be changed, suspended or withdrawn at any time. The ratings currently assigned to us are dependent upon economic conditions and other factors affecting credit risk that are outside the Company's control. Any adverse change in the Company's credit ratings could adversely affect the trading price for the notes. Detailed explanations of the ratings may be obtained from the rating agencies.

From and after the first day on which (i) the Notes have been assigned an Investment Grade Rating by at least two Rating Agencies and (ii) no Default or Event of Default under the Indenture has occurred and is continuing (the "Suspension Date"), the Company and the Restricted Subsidiaries shall cease to be subject to certain sections of the Indenture, including the provisions summarized under "Certain Covenants—During the Reinstatement Period," clause (y) of the third paragraph under "Certain Covenants—During the Reinstatement Period—Designation of Restricted and Unrestricted Subsidiaries" and clause (3) of the first paragraph under "Description of Notes—Merger and Consolidation" (collectively, the "Suspended Covenants").

If at any time following the Suspension Date one or more Rating Agencies downgrades the rating assigned to the Notes to below an Investment Grade Rating with the result that less than two Rating Agencies maintain an Investment Grade Rating with respect to the Notes (such date being the "Reinstatement Date"), then the Suspended Covenants will thereafter be reinstated and again be applicable pursuant to the terms of the Indenture (such period being the "Reinstatement Period"), unless and until the Notes subsequently again attain an Investment Grade Rating by two or more Rating Agencies. The period of time between the Suspension Date and Reinstatement Date shall be referred to as the "Suspension Period."

The Company and the Restricted Subsidiaries shall have the right from a Suspension Date to (i) release from time to time any of the property and other assets included in the Collateral from the Liens securing the Notes and (ii) release any of the Note Guarantors from the Note Guarantees (other than the Guarantees of the Parent, the Company or Virgin Media Investment Limited), upon the Issuer delivering to the Trustee an Officer's Certificate identifying the Collateral and Guarantees to be released and such Collateral and/or Guarantees have been or, simultaneously with any release relating to the Notes, will be released under the Existing Credit Facility, the Existing Senior Secured Notes and any other Pari Passu Lien Obligations.

Upon the delivery of an Officer's Certificate pursuant to the paragraph above, (i) the Company and the Restricted Subsidiaries shall cease to be subject to certain sections of the Indenture, including the provisions described under the last three paragraphs under "Certain Covenants—During the Suspension Period—Limitation on Guarantees of Indebtedness by Restricted Subsidiaries," clause (4) of the first paragraph under "Merger and Consolidation," clause (8) of the first paragraph and the second paragraph under "Amendment, Supplement and Waiver," the second paragraph under "Note Guarantees," the third paragraph under "Security for the Notes—General" "Security for the Notes—Certain Covenants with Respect to Collateral—Impairment of Security Interests," (collectively, the "Suspended Security Sections") and (ii) the covenant under "Certain Covenants—During the Suspension Period—Limitation on Liens" shall be replaced with:

"The Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly, incur or permit to exist any consensual Lien of any nature whatsoever (any such Lien, an "Initial Lien") on any of its Property or assets (including Capital Stock of a Restricted Subsidiary), whether owned at the Closing Date or thereafter acquired, securing any Indebtedness, other than Permitted Liens, without effectively providing that the Notes shall be secured equally and rateably with (or prior to) the obligations so secured for so long as such obligations are so secured."

Upon the occurrence of a Reinstatement Date, the Company and the Restricted Subsidiaries shall ensure that the Collateral from the Liens securing the Notes and the Guarantees released pursuant to a Suspension Date are reinstated within 120 Business Days of such Reinstatement Date, unless not required under "Certain Covenants—During the Suspension Period—Limitation on Liens" and "—Certain Covenants—During the

Suspension Period—Limitation on Guarantees of Indebtedness by Restricted Subsidiaries” at which time (the “Suspended Security Reinstatement Date”) the Company and the Restricted Subsidiaries will again be subject to the Suspended Security Sections, and “—Certain Covenants—During the Suspension Period—Limitation on Liens” shall revert back to its original form.

No action taken by either the Company or any of the Restricted Subsidiaries during the Suspension Period with respect to a Suspended Covenant or a Suspended Security Section (including, for the avoidance of doubt, any failure to comply with a Suspended Covenant or a Suspended Security Section), nor the compliance or performance by the Company or any of the Restricted Subsidiaries with any contractual obligation entered into during the Suspension Period with respect to a Suspended Covenant or a Suspended Security Section will constitute a Default, Event of Default or breach of any kind under the Indenture, the Notes or the Guarantees and will not result in any reduction of any amounts available under any of the baskets as of the Suspension Date that may apply under the Suspended Covenants or Suspended Security Sections.

Certain Covenants—During the Suspension Period

The following covenants under the Indenture shall apply during the Suspension Period:

Limitation on Liens. The Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly, Incur or permit to exist any consensual Lien of any nature whatsoever (other than Permitted Liens) on any of its Property or assets (including Capital Stock of a Restricted Subsidiary), whether owned at the Closing Date or thereafter acquired.

Limitation on Layering. The Company will not, and will not permit any Note Guarantor, to Incur Indebtedness that is subordinated in right of payment to other Indebtedness of the Company or any Note Guarantor, unless such Indebtedness Incurred by the Company or a Note Guarantor is also subordinated to the Notes or relevant Note Guarantor; provided, however, that no Indebtedness will be deemed to be contractually subordinated in right of payment to any other Indebtedness of the Company or the Note Guarantor solely by virtue of being unsecured, by virtue of being secured with different collateral, by virtue of being secured on a junior priority basis or by virtue of the application of waterfall or other payment-ordering provisions.

Limitation on Guarantees of Indebtedness by Restricted Subsidiaries. No Restricted Subsidiary (other than the Issuer or a Notes Guarantor) shall guarantee or otherwise become obligated under any Indebtedness under the Existing Credit Facility or any Pari Passu Lien Obligations unless such Restricted Subsidiary is or becomes an Additional Guarantor on the date on which such other guarantee or Indebtedness is Incurred (or as soon as reasonably practicable thereafter) and, if applicable, executes and delivers to the Trustee a supplemental Indenture in the form attached to the Indenture (and such documentation relating thereto as the Trustee may reasonably require pursuant to the terms of the Indenture) pursuant to which such Restricted Subsidiary will provide an Additional Subsidiary Guarantee (which Additional Subsidiary Guarantee shall be senior to or *pari passu* with such Restricted Subsidiary’s guarantee of such other Indebtedness); *provided that*,

(1) an Additional Guarantor’s Additional Subsidiary Guarantee may be limited in amount to the extent required by fraudulent conveyance, thin capitalization, corporate benefit, financial assistance or other similar laws (but, in such a case (A) each of the Company and the Restricted Subsidiaries will use their reasonable best efforts to overcome the relevant legal limit and will procure that the relevant Restricted Subsidiary undertakes all whitewash or similar procedures which are legally available to eliminate the relevant limit and (B) the relevant guarantee shall be given on an equal and ratable basis with the guarantee of any other Indebtedness giving rise to the obligation to guarantee the Notes); and

(2) for so long as it is not permissible under applicable law for a Restricted Subsidiary to become an Additional Guarantor, such Restricted Subsidiary need not become an Additional Guarantor (but, in such a case, each of the Company and the Restricted Subsidiaries will use its reasonable best efforts to overcome the relevant legal prohibition precluding the giving of the guarantee and will procure that the relevant Restricted Subsidiary undertakes all whitewash or similar procedures which are legally available to eliminate the relevant legal prohibition, and shall give such guarantee at such time (and to the extent) that it thereafter becomes permissible).

The preceding paragraph shall not apply to (1) the granting by such Restricted Subsidiary of a Permitted Lien under circumstances which do not otherwise constitute the guarantee of Indebtedness of the Company or the Issuer; or (2) the guarantee by any Restricted Subsidiary of Indebtedness that refinances Indebtedness which benefited from a guarantee by any Restricted Subsidiary Incurred in compliance with this covenant immediately prior to such refinancing.

Within 60 days of the delivery by the Company of the financial statements for any fiscal year starting with the fiscal year ended December 31, 2011 under “—Certain Covenants—During the Suspension Period—Ongoing Reporting,” the Company shall cause any Restricted Subsidiary to become a Note Guarantor under the Indenture so that the Issuer and the Note Guarantors on a Consolidated basis represent not less than seventy-five per cent (75%) of the EBITDA of the Company and the Restricted Subsidiaries for such fiscal year.

Each Restricted Subsidiary that becomes a Note Guarantor on or after the Closing Date shall also become a party to the Collateral Documents or execute separate Collateral Documents, as applicable, and the Intercreditor Deeds, as applicable, and shall as promptly as practicable execute and deliver such security instruments, financing statements, mortgages, deeds of trust (in substantially the same form as those executed and delivered with respect to the Collateral) and certificates and opinions of counsel (to the extent, and substantially in the form, delivered on the Closing Date (but no greater scope) as may be necessary to vest in the Security Trustee a valid security interest (subject to Permitted Liens) upon all its properties and assets (other than the Excluded Assets) as security for the Notes or the Subsidiary Guarantees and as may be necessary to have such property or asset added to the Collateral as required under the Collateral Documents and the Indenture, and thereupon all provisions of the Indenture relating to the Collateral shall be deemed to relate to such properties and assets to the same extent and with the same force and effect; *provided, however*, that if granting such security interest, as the case may be, in any such property or asset requires the consent of a third party, the Company will use commercially reasonable efforts to obtain such consent with respect to the security interest for the benefit of the Security Trustee on behalf of the Holders.

No Lien shall be required to be granted over any asset if such Lien may result in (i) any breach of corporate benefit, financial assistance, fraudulent preference or thin capitalisation laws or regulations or other considerations under applicable law of any applicable jurisdiction, (ii) a significant risk to the officers of the relevant grantor of the Lien of contravention of their fiduciary duties and/or of civil or criminal liability in any applicable jurisdiction or (iii) costs that are disproportionate to the benefit obtained by the beneficiaries of such Lien; *provided* that with respect to clause (iii) such Lien has not also been provided to the benefit of the Existing Credit Facility or any other Pari Passu Lien Obligations.

Ongoing Reporting. So long as the Notes are outstanding, the Company will furnish to the Trustee, within the time periods specified in the SEC’s rules and regulations, without cost to the Trustee (who, at the Issuer’s expense, will furnish by mail to the Holders); *provided, however*, that to the extent any reports are filed on the SEC’s website, such reports shall be deemed to be furnished to the Trustee and the Holders:

(1) whether or not required by SEC rules and regulations, quarterly and annual reports of the Parent, containing substantially the same information required to be contained in a Quarterly Report on Form 10-Q or an Annual Report on Form 10-K, as applicable, under the Exchange Act, including financial statements prepared in accordance with generally accepted accounting principles in the United States or, if permitted by the SEC, international financial reporting standards, and a “Management’s Discussion and Analysis of Financial Condition and Results of Operations” (except with respect to (i) guarantor financial statements, but including condensed information complying with Rule 3-10(d) of Regulation S-X of the SEC and (ii) financial statements required pursuant to Rule 3-16 of Regulation S-X of the SEC); *provided, however*, that only to the extent reasonably available, at any time that any of Parent’s Subsidiaries is an Unrestricted Subsidiary that is a Significant Subsidiary or would in combination with other Unrestricted Subsidiaries be a Significant Subsidiary, the quarterly and annual financial information required by this paragraph will include a presentation, either on the face of the financial statements, in the footnotes thereto, or in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” or other

comparable section, of the financial condition and results of operations of Parent and the Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of Parent; and

(2) such other reports containing substantially the same information required to be contained in a Current Report on Form 8-K under the Exchange Act, as in effect on the Closing Date.

The Parent will also make available copies of all reports required by clauses (1) and (2) above on its website.

Designation of Restricted and Unrestricted Subsidiaries. The Board of Directors may designate any Restricted Subsidiary of the Company or any Affiliate Guarantor (including any newly acquired or newly formed Subsidiary) other than the Issuer to be an Unrestricted Subsidiary if:

(1) no Default or Event of Default shall have occurred and be continuing at the time of or after giving effect to such designation;

(2) such Restricted Subsidiary and any of its Subsidiaries do not own any Capital Stock or Indebtedness of, or own or hold any Lien on any Property of, the Company or any Restricted Subsidiary other than a Subsidiary of the Restricted Subsidiary to be designated an Unrestricted Subsidiary;

(3) either:

(A) the Restricted Subsidiary to be so designated has total Consolidated assets of £1,000 or less; or

(B) if such Restricted Subsidiary has Consolidated assets greater than £1,000, then the Company would be permitted to make an Investment under the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Restricted Payments” after giving effect to such designation in the amount specified in the definition of “Investment;”

(4) all of the Indebtedness of such Restricted Subsidiary and its Subsidiaries shall, at the date of designation, and will at all times thereafter, consist of Non-Recourse Debt unless the Guarantee or other credit support related to any such Indebtedness could be Incurred by the Company or the relevant Restricted Subsidiary under the Indenture;

(5) such Restricted Subsidiary is a Person with respect to which neither the Company nor any other Restricted Subsidiary has any direct or indirect obligation:

(A) to subscribe for additional Capital Stock of such Person; or

(B) to maintain or preserve such Person’s financial condition or to cause such Person to achieve any specified levels of operating results; and

(6) on the date such Restricted Subsidiary is designated an Unrestricted Subsidiary, such Restricted Subsidiary is not a party to any agreement, contract, arrangement or understanding with the Company, the Issuer or any other Restricted Subsidiary with terms substantially less favorable to the Company, the Issuer or any other Restricted Subsidiary than those that might have been obtained from Persons who are not Affiliates of the Company other than transactions that comply with the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Transactions with Affiliates.”

In the event of any such designation, the Company shall be deemed to have made an Investment constituting a Restricted Payment pursuant to the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Restricted Payments.”

The Board of Directors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary if immediately after giving effect to such designation:

(x) no Default or Event of Default shall have occurred and be continuing at the time of and after giving effect to such designation,

(y) the Company could Incur £1.00 of additional Indebtedness under paragraph (a) of the covenant described under “—Limitation on Indebtedness” (which condition does not apply during a Suspension Period), and

(z) all Liens and Indebtedness of such Unrestricted Subsidiary outstanding immediately following such designation would, if incurred at that time, have been permitted to be Incurred for all purposes of the Indenture.

Any such designation of a Subsidiary or as a Restricted Subsidiary or Unrestricted Subsidiary by the Board of Directors shall be evidenced to the Trustee by promptly filing with the Trustee a copy of the resolution of the Board of Directors giving effect to such designation and an Officer’s Certificate certifying that such designation complied with the foregoing provisions.

Additional Intercreditor Deeds. The Indenture will provide that in connection with the Incurrence of any Indebtedness by the Parent or any of its Subsidiaries, the Trustee shall, at the request of the Company, enter into with the Company, the relevant Restricted Subsidiaries and the holders of such Indebtedness (or their duly authorized representatives) one or more intercreditor agreements or deeds (including a restatement, replacement, amendment or other modification of either of the Intercreditor Deeds) (an “Additional Intercreditor Deed”), on substantially the same terms (other than, prior to an Enforcement Control Event, with respect to rights to provide notice or instructions or other administrative matters) as the relevant Intercreditor Deed (or terms (i) not materially less favorable to the Holders and/or (ii) substantially similar as applies to the Existing Credit Facility or any Pari Passu Lien Obligations) with respect to subordination, payment blockage, limitation on enforcement and release of Guarantees, priority and release of security; *provided, further*, that such Additional Intercreditor Deed will not impose any personal obligations on the Trustee or adversely affect the personal rights, duties, liabilities, indemnification or immunities of the Trustee under the Indenture or the Intercreditor Deeds. In connection with the foregoing, the Company shall furnish to the Trustee such documentation in relation thereto as it may reasonably require.

The Indenture will also provide that, in relation to the Intercreditor Deeds or an Additional Intercreditor Deed, the Trustee shall consent on behalf of the holders to the payment, repayment, purchase, repurchase, defeasance, acquisition, retirement or redemption of any obligations subordinated to the Notes thereby; *provided, however*, that such transaction would comply with the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Restricted Payments.”

Certain Covenants—During the Reinstatement Period

In addition to the covenants summarized under “—Certain Covenants—During the Suspension Period,” the following additional covenants shall apply during a Reinstatement Period:

Limitation on Indebtedness. (a) The Company will not, and will not cause or permit any Restricted Subsidiary to, Incur, directly or indirectly, any Indebtedness; provided, however, that the Company and any Restricted Subsidiary may Incur Indebtedness if on the date of such Incurrence and after giving effect thereto the Leverage Ratio would not exceed 5.5:1.0.

(b) Notwithstanding the foregoing paragraph (a), the Company and any Restricted Subsidiary may Incur the following Indebtedness:

(1) Bank Indebtedness (including, without limitation, Bank Indebtedness Incurred under the Existing Credit Facility) or any other Pari Passu Lien Obligation (including the Existing Senior Secured Notes and the Notes issued on the Closing Date) in an aggregate principal amount at any one time outstanding not exceeding £5,300,000,000;

(2) Indebtedness of the Company owed to and held by any Restricted Subsidiary or Indebtedness of a Restricted Subsidiary owed to and held by the Company or any Restricted Subsidiary; provided, however, that (A) any subsequent issuance or transfer of any Capital Stock or any subsequent transfer of such Indebtedness or any other event that results in any such Indebtedness being held by a Person other than the Company or a Restricted Subsidiary shall be deemed to constitute the Incurrence of such Indebtedness by the obligor thereon or (B) if the Issuer or the Company is the obligor on such Indebtedness, such Indebtedness is expressly subordinated for the benefit of the Holders to the prior payment in full in cash of all obligations with respect to the Notes or the Company Guarantee, as the case may be;

(3) Indebtedness (A) represented by the Notes and the exchange notes to be issued in exchange for the Notes pursuant to the Registration Rights Agreement (not including any Additional Notes); and (B) outstanding on the Closing Date (other than the Indebtedness described in clauses (1) and (2) of this paragraph (b));

(4) Indebtedness consisting of Refinancing Indebtedness Incurred in respect of any Indebtedness described in clauses (3) or (4) of this paragraph (b) or under paragraph (a);

(5) Indebtedness of a Restricted Subsidiary acquired by the Company, the Issuer or any other Restricted Subsidiary after the Closing Date Incurred and outstanding on or prior to the date on which such Restricted Subsidiary was acquired by the Company, the Issuer or any other Restricted Subsidiary (other than Indebtedness Incurred in contemplation of, in connection with, as consideration in, or to provide all or any portion of the funds or credit support utilized to consummate, the transaction or series of related transactions pursuant to which such Restricted Subsidiary became a Subsidiary of or was otherwise acquired by the Company, the Issuer or any other Restricted Subsidiary) or any Refinancing Indebtedness in respect thereof, not exceeding £100 million in the aggregate at any one time outstanding;

(6) Indebtedness (A) in respect of performance, bid, completion, surety or appeal bonds provided by the Company, the Issuer and any other Restricted Subsidiary in the ordinary course of their business and (B) under Interest Rate Agreements and Currency Agreements entered into for bona fide hedging purposes of the Company, the Issuer and any other Restricted Subsidiary in the ordinary course of business;

(7) Purchase Money Indebtedness and Capitalized Lease Obligations Incurred after the Closing Date for the purpose of financing all or any part of the purchase price or cost of construction or improvement (including the cost of design, development, construction, acquisition, transportation, installation, improvement and migration) of assets; provided, however, that the aggregate principal amount of Indebtedness Incurred pursuant to this clause (7), together with all other outstanding Indebtedness Incurred after the Closing Date pursuant to this clause (7), shall not exceed as of the date of Incurrence the greater of (A) 2.75% of Total Assets and (B) £150 million;

(8) (i) Guarantees of the Notes and related guarantees to be issued in exchange for such Guarantees pursuant to the Registration Rights Agreement, (ii) Guarantees by a Restricted Subsidiary in favor of the U.K. HM Revenue and Customs in connection with the U.K. tax liability of the Company or any Restricted Subsidiary (including, without limitation, any VAT liabilities), (iii) Guarantees of other Indebtedness not otherwise prohibited by this covenant and (iv) Guarantees of Indebtedness which by its terms must be Guaranteed if the Notes are Guaranteed;

(9) Indebtedness of the Company, the Issuer or any other Restricted Subsidiary arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business; provided, however, that such Indebtedness is extinguished within five Business Days of its Incurrence;

(10) Indebtedness constituting reimbursement obligations with respect to letters of credit, bankers' acceptances or other similar instruments or obligations issued in the ordinary course of business, including letters of credit in respect of workers' compensation claims or other Indebtedness Incurred with respect to reimbursement-type obligations regarding workers' compensation claims and under other similar

legislation; provided, however, that upon the drawing or other funding of such letters of credit or other instruments or obligations, such drawings or fundings are reimbursed within 30 days;

(11) Indebtedness arising from agreements of the Company, the Issuer or any other Restricted Subsidiary providing for indemnification, adjustment of purchase price or similar obligations, in each case, Incurred in connection with the disposition of any business, assets or Capital Stock of a Subsidiary, other than Guarantees or other credit support of Indebtedness or other obligations of any Person (other than the Company or any Restricted Subsidiary) acquiring all or any portion of such business, assets or Capital Stock or any Affiliate of such Person; provided that such Indebtedness is not reflected on the balance sheet of the Company, the Issuer or any other Restricted Subsidiary (contingent obligations referred to in a footnote to financial statements and not otherwise reflected on the balance sheet will be deemed not to be reflected on such balance sheet for purposes of this clause (11));

(12) the Incurrence of Indebtedness consisting of guarantees of loans or other extensions of credit made to or on behalf of officers, directors, employees or consultants of the Company, the Issuer or any other Restricted Subsidiary for the purpose of permitting such persons to purchase Capital Stock of the Company, the Issuer or any other Restricted Subsidiary, in an amount not to exceed £10 million at any one time outstanding;

(13) the Incurrence of Indebtedness by a Receivables Subsidiary in a Qualified Receivables Transaction that is not recourse to the Company, the Issuer or any of their Subsidiaries (except for Standard Securitization Undertakings) in an amount not to exceed £300 million at any one time outstanding;

(14) the accrual of interest, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional indebtedness with the same terms, and the payment of dividends on Disqualified Stock in the form of additional shares of the same class of Disqualified Stock (where the payment of such dividends is not part of a financing transaction);

(15) Indebtedness of the Company, the Issuer or any other Restricted Subsidiary relating to any VAT liabilities or deferral of PAYE taxes with the agreement of the U.K. HM Revenue and Customs; and

(16) Indebtedness (other than Indebtedness permitted to be Incurred pursuant to the foregoing paragraph (a) or any other clause of this paragraph (b)) in an aggregate principal amount on the date of Incurrence that, when added to all other Indebtedness Incurred pursuant to this clause (16) and then outstanding, will not exceed the greater of (A) 3.0% of Total Assets and (B) £300 million.

(c) For purposes of determining the outstanding principal amount of any particular Indebtedness Incurred pursuant to this covenant:

(1) Bank Indebtedness Incurred on or prior to the Closing Date shall be treated as Incurred pursuant to clause (1) of paragraph (b) above;

(2) Indebtedness permitted by this covenant need not be permitted solely by reference to one provision permitting such Indebtedness but may be permitted in part by one such provision and in part by one or more other provisions of this covenant permitting such Indebtedness;

(3) in the event that Indebtedness meets the criteria of more than one of the types of Indebtedness described in this covenant, the Company, in its sole discretion (except as specified in this paragraph (c)), shall classify or reclassify from time to time such Indebtedness and only be required to include the amount of such Indebtedness in one of such clauses; and

(4) the outstanding principal amount of any particular Indebtedness shall be counted only once and any obligations arising under any Guarantee, Lien, letter of credit or similar instrument supporting such Indebtedness permitted to be Incurred under this covenant shall not be double counted.

(d) For the purposes of determining compliance with any sterling denominated restriction on the Incurrence of Indebtedness denominated in a currency other than pounds sterling, the sterling-equivalent principal amount of

such Indebtedness Incurred pursuant thereto shall be calculated based on the relevant currency exchange rate in effect on the date that such Indebtedness was Incurred, in the case of term Indebtedness, or first committed, in the case of revolving credit Indebtedness, *provided that* (x) the sterling-equivalent principal amount of any such Indebtedness outstanding on the Closing Date shall be calculated based on the relevant currency exchange rate in effect on the Closing Date, (y) if such Indebtedness is Incurred to Refinance other Indebtedness denominated in a currency other than pounds sterling, and such refinancing would cause the applicable sterling denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such Refinancing, such sterling denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such Refinancing Indebtedness does not exceed the principal amount of such Indebtedness being Refinanced based on the exchange rate between the currency of the Indebtedness being Refinanced and the currency of the Refinancing Indebtedness and (z) the sterling-equivalent principal amount of Indebtedness denominated in a currency other than pounds sterling and Incurred pursuant to any Credit Facility shall be calculated based on the relevant currency exchange rate in effect on, at the Company's option, (i) the Closing Date, (ii) any date on which any of the respective commitments under the Credit Facility shall be reallocated between or among facilities or subfacilities thereunder, or (iii) the date of such Incurrence. The principal amount of any Indebtedness Incurred to Refinance other Indebtedness, if Incurred in a different currency from the Indebtedness being Refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such Refinancing.

Limitation on Restricted Payments. (a) The Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly:

(1) declare or pay any dividend, make any distribution on or in respect of its Capital Stock or make any similar payment to the direct or indirect holders of its Capital Stock, except (x) pro rata dividends or distributions payable solely in its Capital Stock (other than Disqualified Stock) and (y) dividends, distributions or any similar payment payable to the Company or any other Restricted Subsidiary (and, if the Company or such Restricted Subsidiary has shareholders other than the Company, the Issuer or other Restricted Subsidiaries, to its other shareholders on a basis that is no more favorable to such other shareholders than a *pro rata* basis);

(2) purchase, repurchase, redeem, retire or otherwise acquire for value any Capital Stock of the Company;

(3) purchase, repurchase, redeem, retire, defease or otherwise acquire for value, prior to scheduled maturity, scheduled repayment or scheduled sinking fund payment any Subordinated Obligations (other than (1) Subordinated Obligations owed to the Issuer and (2) the purchase, repurchase, redemption, retirement, defeasance or other acquisition for value of Subordinated Obligations of the Company or any Restricted Subsidiary acquired in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case, due within one year of the date of acquisition); or

(4) make any Investment (other than a Permitted Investment) in any Person

(any such dividend, distribution, payment, purchase, redemption, repurchase, defeasance, retirement, or other acquisition or Investment being herein referred to as a "Restricted Payment"), if at the time the Company or such Restricted Subsidiary makes such Restricted Payment:

(A) a Default will have occurred and be continuing (or would result therefrom);

(B) the Company could not Incur at least £1.00 of additional Indebtedness under paragraph (a) of the covenant described under "—Limitation on Indebtedness;" or

(C) the aggregate amount of such Restricted Payment and all other Restricted Payments (the amount so expended, if other than in cash, to be determined in good faith by the Board of Directors) declared or made subsequent to July 25, 2006 would exceed the sum of:

(i) an amount equal to 100% of EBITDA since the Merger Date to the end of the most recent fiscal quarter, taken as a single accounting period, less the product of 1.4 times the Consolidated Interest Expense since the Merger Date to the end of the most recent fiscal quarter, taken as a single accounting period;

(ii) the proceeds received by the Company from the issue or sale of its Capital Stock (other than Disqualified Stock) subsequent to July 25, 2006 (other than an issuance or sale to (x) the Company or a Subsidiary of the Company or (y) an employee share ownership plan or other trust to the extent funded or required to be funded by the Company or any of its Subsidiaries);

(iii) the amount by which Indebtedness of the Company is reduced on the Company's Consolidated balance sheet upon the conversion or exchange of any Indebtedness of the Company issued after July 25, 2006, which is convertible or exchangeable for Capital Stock (other than Disqualified Stock) of the Company issued to Persons not including the Company (less the amount of any cash or the Fair Market Value of other Property distributed by the Company upon such conversion or exchange); and

(iv) without duplication, the sum of

(x) the aggregate amount returned to the Company, the Issuer or any other Restricted Subsidiary in cash on or with respect to Investments (other than Permitted Investments) made subsequent to July 25, 2006, whether through interest payments, principal payments, dividends or other distributions;

(y) the net proceeds received and retained by the Company or any Restricted Subsidiary from the disposition, retirement or redemption of all or any portion of such Investments (other than Permitted Investments and other than to the Company or any Restricted Subsidiary); and

(z) upon redesignation of an Unrestricted Subsidiary as a Restricted Subsidiary subsequent to July 25, 2006, in accordance with the covenant described under "—Certain Covenants—During the Suspension Period—Designation of Restricted and Unrestricted Subsidiaries," the Fair Market Value (valued as provided in the definition of "Investment") of the net assets of such Subsidiary;

provided, however, that the amount under this clause (iv) shall not exceed the aggregate amount of all such Investments (other than Permitted Investments) made subsequent to July 25, 2006 (and treated as a Restricted Payment) by the Company or any Restricted Subsidiary in such Person, which amount was included in the calculation of the amount of Restricted Payments.

For purposes of calculating the aggregate amount of Restricted Payments under clause (a)(C) above declared or made subsequent to July 25, 2006 and prior to the date of the Indenture, any Restricted Payment which was not included in the calculation of the amount of Restricted Payments under Section 4.07(a)(C) of the 2006 Indenture shall also not be included in such calculation under clause (a)(C) above.

(b) The provisions of the foregoing paragraph (a) will not prohibit:

(1) any purchase, repurchase, redemption, retirement or other acquisition for value of Capital Stock or Disqualified Stock of the Company or any Restricted Subsidiary made by exchange for, or out of the proceeds of the sale within 90 days of, Capital Stock or Disqualified Stock of, the Company (other than Capital Stock issued or sold to the Company or any of its Subsidiaries or an employee share ownership plan or other trust to the extent funded by the Company or any of its Subsidiaries) or through a substantially concurrent contribution to the equity of the Company; provided, however, that:

(A) such purchase, repurchase, redemption, retirement or other acquisition for value will be excluded in the calculation of the amount of Restricted Payments, and

(B) the Net Cash Proceeds from such sale applied in the manner set forth in this clause (1) will be excluded from the calculation of amounts under clause (C)(ii) of paragraph (a) above;

(2) any prepayment, repayment, purchase, repurchase, redemption, retirement, defeasance or other acquisition for value of Subordinated Obligations of the Company or any Restricted Subsidiary made by exchange for, or out of the proceeds of the sale within 90 days of, Indebtedness of the Company or such Restricted Subsidiary that is permitted to be Incurred pursuant to the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness” and that is subordinated to the Notes to at least the same extent as such Subordinated Obligations or any Restricted Payment made to facilitate such transaction; *provided, however*, that such prepayment, repayment, purchase, repurchase, redemption, retirement, defeasance or other acquisition for value will be excluded from the calculation of the amount of Restricted Payments;

(3) any prepayment, repayment, purchase, repurchase, redemption, retirement, defeasance or other acquisition for value of Subordinated Obligations of the Company or any Restricted Subsidiary from Net Available Cash to the extent permitted by the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Sales of Assets and Subsidiary Stock” or any Restricted Payment made to facilitate such transaction; *provided, however*, that such prepayment, repayment, purchase, repurchase, redemption, retirement, defeasance or other acquisition for value will be excluded from the calculation of the amount of Restricted Payments;

(4) any prepayment, repayment, purchase, repurchase, redemption, retirement, defeasance or other acquisition for value of Subordinated Obligations of the Company or any Restricted Subsidiary made by exchange for, or out of the proceeds of the substantially concurrent sale of, Subordinated Obligations of the Company or any Restricted Subsidiary that qualifies as Refinancing Indebtedness or any Restricted Payment made to facilitate such transaction; *provided, however*, that such prepayment, repayment, purchase, repurchase, redemption, retirement, defeasance or other acquisition for value will be excluded from the calculation of the amount of Restricted Payments;

(5) dividends paid within 60 days after the date of declaration thereof if at such date of declaration such dividends would have complied with this covenant; *provided, however*, that such dividends will be included (without duplication) in the calculation of the amount of Restricted Payments;

(6) any purchase, repurchase, redemption, retirement or other acquisition for value of Capital Stock, or options to purchase Capital Stock, of the Company or any of the Restricted Subsidiaries from employees, former employees, directors or former directors or consultants of the Company or any of the Restricted Subsidiaries (or permitted transferees of such employees, former employees, directors or former directors or consultants), pursuant to the terms of agreements (including employment agreements) or plans (or amendments thereto) under which such individuals purchase or sell, or are granted the option to purchase or sell, shares of such Capital Stock; *provided, however*, that the aggregate amount of such purchases, repurchases, redemptions, retirements and other acquisitions for value will not exceed £20 million in any calendar year; *provided further*, that such purchases, repurchases, redemptions, retirements and other acquisitions for value will be included in the calculation of the amount of Restricted Payments;

(7) any payment of dividends, other distributions or other amounts by the Company for the purposes set forth in clauses (A) and (B) below; *provided, however*, that such dividends, distributions or other payments will be excluded from the calculation of the amount of Restricted Payments:

(A) to a Virgin Media Holding Company in amounts required for such Virgin Media Holding Company to pay taxes and other fees or amounts required to maintain its corporate existence and provide for other expenses in an aggregate amount of up to £50 million per year; and

(B) amounts payable for any income or corporate taxes or pursuant to the Tax Sharing Agreement;

(8) any purchase, repurchase, redemption, retirement or other acquisition for value of Capital Stock deemed to occur upon exercise of options, warrants or other securities, if such Capital Stock represents a portion of the exercise price of such options, warrants or other securities; *provided, however*, that such purchase, repurchase, redemption, retirement or other acquisition for value will be excluded from the calculation of the amount of Restricted Payments;

(9) after the designation of any Restricted Subsidiary as an Unrestricted Subsidiary, distributions (including by way of dividend) consisting of cash, Capital Stock or Property of such Unrestricted Subsidiary that in each case is held by the Company, the Issuer or any Restricted Subsidiary; *provided, however*, that (x) such distribution or disposition shall include the concurrent transfer of all liabilities (contingent or otherwise) attributable to the Property being transferred; (y) any Property received from any Unrestricted Subsidiary (other than Capital Stock issued by any Unrestricted Subsidiary) may be transferred by way of distribution or disposition pursuant to this clause (9) only if such Property, together with all related liabilities, is so transferred in a transaction that is substantially concurrent with the receipt of the proceeds of such distribution or disposition by the Company or such Restricted Subsidiary; and (z) such distribution or disposition shall not, after giving effect to any related agreements, result nor be likely to result in any material liability, tax or other adverse consequences to the Company and the Restricted Subsidiaries on a consolidated basis; *provided further, however*, that such distributions will be excluded from the calculation of the amount of Restricted Payments, it being understood that proceeds from the disposition of any cash, Capital Stock or Property of an Unrestricted Subsidiary that are so distributed will not increase the amount of Restricted Payments permitted under clause (a)(C)(iv) above;

(10) dividends on common stock of the Company or any Affiliate Guarantor up to £60 million per year; *provided*, in each case, that such Restricted Payments will be included in the calculation of the amount of Restricted Payments;

(11) payments of any Receivables Fees; *provided, however*, that such Restricted Payments will be excluded from the calculation of the amount of Restricted Payments;

(12) any Restricted Payment used to make payments of interest with respect to (i) the Convertible Senior Notes and the Existing Notes and (ii) any other Indebtedness of the Parent or any of its Subsidiaries *provided* that the net proceeds of any such other Indebtedness described in clause (ii) are or were (A) used in the prepayment, repayment, redemption, defeasance, retirement or purchase of the Convertible Senior Notes or the Existing Notes or any Indebtedness of the Company or any Restricted Subsidiary, in each case, in whole or in part, or (B) contributed to or otherwise loaned or transferred to the Company or any Restricted Subsidiary; *provided* that any such Restricted Payments under (i) and (ii) above will be excluded from the calculation of the amount of Restricted Payments;

(13) any Content Transaction, *provided*, that after giving pro forma effect thereto, the Company could Incur at least £1.00 of additional Indebtedness under paragraph (a) of the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness;” *provided*, that such Restricted Payments will be excluded from the calculation of the amount of the Restricted Payments;

(14) any Business Division Transaction, *provided*, that after giving pro forma effect thereto, the Company could Incur at least £1.00 of additional Indebtedness under paragraph (a) of the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness;”

(15) any prepayment, repayment, repurchase, redemption, retirement, defeasance or other acquisition for value of the Existing Notes in an amount not exceeding in any financial year of the Company ten per cent in aggregate principal amount of such Existing Notes outstanding at the Closing Date or any Restricted Payment to facilitate such transaction; *provided* that in the event that any such amount available for the prepayment, repayment, repurchase, redemption, retirement, defeasance or other acquisition for value of Existing Notes in any financial year of the Company is not utilized in full, then the maximum amount available for such purposes in the following financial years of the Company shall be increased by such

unutilized amount; *provided further* that such Restricted Payments will be excluded from the calculation of the amount of Restricted Payments;

(16) any Restricted Payment from the Company or any Restricted Subsidiary to the Parent or any other Subsidiary of the Parent which is not a Restricted Subsidiary; *provided* that such Subsidiary advances the proceeds of any such Restricted Payment to the Company or any other Restricted Subsidiary, as applicable, within 3 days of receipt thereof and that such Restricted Payments do not exceed an amount equal to ten per cent (10%) of Total Assets at any one time; *provided further* that such Restricted Payments will be excluded from the calculation of the amount of Restricted Payments; and

(17) any other Restricted Payments in an aggregate amount, when taken together with all other Restricted Payments made pursuant to this clause (17), not to exceed £75 million; *provided, however*, that (A) such Restricted Payments will be included in the calculation of the amount of Restricted Payments and (B) at the time of any Restricted Payment referred to in this clause (17), no Default or Event of Default has occurred and is continuing (or would result from such Restricted Payment).

Limitation on Restrictions on Distributions from Restricted Subsidiaries. The Company will not permit any Restricted Subsidiary (other than the Issuer and the Affiliate Guarantors) to create or otherwise cause or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary (other than the Issuer and the Affiliate Guarantors) to:

(1) pay dividends or make any other distributions on its Capital Stock or pay any Indebtedness or other obligations owed to the Company or any Restricted Subsidiary of which it is a Subsidiary;

(2) make any loans or advances to the Company or any Restricted Subsidiary of which it is a Subsidiary; or

(3) transfer any of its Property or assets to the Company or any Restricted Subsidiary of which it is a Subsidiary.

The provisions of the preceding paragraph will not prohibit:

(A) any encumbrance or restriction pursuant to (i) applicable law, rule, regulation, order or governmental license, permit or concession or (ii) an agreement in effect on the Closing Date (including the Indenture, the Subsidiary Guarantees, the Existing Credit Facility, the Intercreditor Deeds and the indentures governing the Existing Notes);

(B) in respect of a Restricted Subsidiary acquired by the Company, the Issuer or any Restricted Subsidiary after the Closing Date, any encumbrance or restriction with respect to such Restricted Subsidiary arising prior to the date on which such Restricted Subsidiary was acquired by the Company or any Restricted Subsidiary (other than an encumbrance relating to Indebtedness Incurred as consideration for, in contemplation of, or to provide all or any portion of the funds or credit support utilized to, consummate the transaction or series of related transactions pursuant to which such Restricted Subsidiary became a Restricted Subsidiary or was otherwise acquired by the Company or any Restricted Subsidiary) and outstanding on such date;

(C) any encumbrance or restriction pursuant to an agreement effecting a Refinancing of Indebtedness Incurred pursuant to an agreement referred to in clause (A) or (B) of this covenant or this clause (C) or contained in any amendment or modification to an agreement referred to in clause (A) or (B) of this covenant or this clause (C); *provided, however*, that the encumbrances and restrictions, taken as a whole, contained in any such Refinancing agreement or amendment or modification are no less favorable in any material respect to the Holders than the encumbrances and restrictions contained in such predecessor agreements;

(D) in the case of clause (3), any encumbrance or restriction

(i) that restricts in a customary manner the subletting, assignment or transfer of any Property or asset that is subject to a lease, license or similar contract,

(ii) encumbering Property at the time such Property was acquired by the Company or any Restricted Subsidiary so long as such restriction relates solely to the Property so acquired (other than any encumbrance or restriction created as consideration for, in contemplation of, in connection with or pursuant to the provision of, all or any portion of the funds or credit support utilized to consummate the transaction or series of related transactions pursuant to which such Property was otherwise acquired by the Company or any Restricted Subsidiary),

(iii) under agreements relating to Purchase Money Indebtedness or Capitalized Lease Obligations Incurred that impose customary restrictions on the Property subject to such Purchase Money Indebtedness or Capitalized Lease Obligations,

(iv) relating to Indebtedness that is permitted to be Incurred and secured without also securing the Notes or the applicable Note Guarantee pursuant to the covenants described under “—Certain Covenants—During the Suspension Period—Limitation on Guarantees of Indebtedness by Restricted Subsidiaries,” “—Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness” and “—Certain Covenants—During the Suspension Period—Limitation on Liens” that limit the right of the debtor to dispose of the Property securing such Indebtedness, or

(v) customarily imposed on the transfer of copyrighted or patented materials or other intellectual property and customer provisions in agreements that restrict the assignment of such agreements or any rights thereunder;

(E) any encumbrance created in connection with a Qualified Receivables Transaction permitted under the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness;”

(F) any customary encumbrance or restriction imposed with respect to a Restricted Subsidiary pursuant to an agreement entered into for the sale or disposition of all or substantially all the Capital Stock or assets of such Restricted Subsidiary pending the closing of such sale or disposition;

(G) any customary encumbrance or restriction on cash or other deposits or net worth imposed on customers under contracts entered into in the ordinary course of business;

(H) any encumbrance or restriction pursuant to an agreement governing (i) any Bank Indebtedness or other Pari Passu Lien Obligations of the Company or a Restricted Subsidiary permitted to be Incurred subsequent to the Closing Date pursuant to clauses (a), (b)(1), (b)(4) or (b)(16) of the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness” and (ii) any Indebtedness permitted to be Incurred pursuant to clause (a) of the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness,” if the encumbrances and restrictions contained in any such agreement, taken as a whole, do not materially prejudice the ability of the Issuer to make payments on the Notes;

(I) encumbrances or restrictions existing under or by reason of provisions in asset sale agreements entered into in the ordinary course of business; and

(J) encumbrances or restrictions existing under or by reason of provisions in joint venture arrangements and other similar arrangements or arrangements with minority interests in any Restricted Subsidiary.

Limitation on Sales of Assets and Subsidiary Stock.

(a) The Company will not, and will not permit any Restricted Subsidiary to, make any Asset Disposition unless:

(1) the Company or such Restricted Subsidiary receives consideration at the time of such Asset Disposition at least equal to the Fair Market Value of the shares and assets subject to such Asset Disposition;

(2) at least 75% of the consideration thereof received by the Company or such Restricted Subsidiary is in the form of cash, Temporary Cash Investments or Additional Assets; and

(3) an amount equal to 100% of the Net Available Cash from such Asset Disposition is applied by the Company or such Restricted Subsidiary, as the case may be,

(A) *first*, to the extent the Company or any Restricted Subsidiary elects (or is required by the terms of any Indebtedness), to prepay or repay, purchase, repurchase, redeem, retire, defease or otherwise acquire for value Indebtedness of the Company or any Restricted Subsidiary, other than Indebtedness that is either unsecured or is *Pari Passu Debt* (as defined below) or Indebtedness that is subordinate or junior in right of payment to the Notes and the Note Guarantees;

(B) *second*, to the extent of the balance of Net Available Cash after application in accordance with clause (A), to the extent the Company or such Restricted Subsidiary elects, to invest in Additional Assets or any capitalized expense related thereto (including by means of an Investment in Additional Assets or any capitalized expense related thereto by a Restricted Subsidiary with Net Available Cash received by the Company or a Restricted Subsidiary);

(C) *third*, to the extent of the balance of such Net Available Cash not applied in accordance with clauses (A) and (B) within 366 days from the later of such Asset Disposition or the receipt of such Net Available Cash (*provided, however*, that such 366-day period shall be extended by up to 180 days to the extent a binding contractual commitment to reinvest in or purchase Additional Assets or any capitalized expense related thereto shall have been entered into by such 366th day to the extent such commitment remains in effect and the planned reinvestment or purchase has not been abandoned or cancelled), to make an Excess Proceeds Offer (as defined in paragraph (b) of this covenant below) to purchase Notes pursuant to and subject to the conditions set forth in paragraph (b) of this covenant, subject to proration as described in paragraph (b) below or an offer to purchase any other Public Debt or similar securities of the Company or any Restricted Subsidiary outstanding on the date of such Excess Proceeds Offer that is *pari passu* in right of payment with the Notes or any Guarantee from the Company or any Restricted Subsidiary and subject to terms and conditions in respect of Asset Dispositions similar in all material respects to the covenant described hereunder and requiring the Company and any Restricted Subsidiary to make an offer to purchase such Indebtedness at substantially the same time as such Excess Proceeds Offer (the “*Pari Passu Debt*”); and

(D) *fourth*, to the extent of the balance of such Net Available Cash after application in accordance with clauses (A), (B) and (C) (including any amounts for Notes not tendered in any Excess Proceeds Offer), for any general corporate purpose permitted by the terms of the Indenture;

provided, however, that in connection with any prepayment or repayment, purchase, repurchase, redemption, retirement, defeasance or other acquisition for value of Indebtedness pursuant to clause (A), (C) or (D) above, other than in connection with Bank Indebtedness Incurred under any revolving facility, the Company or such Restricted Subsidiary will retire such Indebtedness and will cause the related loan commitment (if any) to be permanently reduced in an amount equal to the principal amount so permanently prepaid or repaid, purchased, repurchased, redeemed, retired, defeased or otherwise acquired for value unless the Company or such Restricted Subsidiary can incur such Indebtedness on such date under this Indenture; and

provided further, that in the event of any Asset Disposition of Collateral, the Company or such Restricted Subsidiary shall (i) pledge any Additional Assets referred to in clause (B) above in favor of the Notes and (ii) deposit any Net Available Cash, pending application in accordance with the above provisions, in bank accounts such that such Net Available Cash forms part of the Collateral; *provided* that, in each case, if such assets (y) are required to be pledged for the benefit of the Existing Credit Facility or any other *Pari Passu Lien Obligation* or (z) would have been required to be pledged under “—Certain Covenants—During the Suspension Period—Limitation on Guarantees of Indebtedness by Restricted Subsidiaries.”

(b) In the event of an Asset Disposition that requires the purchase of Notes pursuant to clause (a)(3)(C) of this covenant, the Issuer will be required to purchase Notes tendered pursuant to an offer by the Issuer for the Notes (an “Excess Proceeds Offer”), which Excess Proceeds Offer shall be in the amount of the Allocable Excess Proceeds, on a pro rata basis according to principal amount, at a purchase price equal to 100% of the principal amount thereof, plus accrued and unpaid interest thereon, if any, to the purchase date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date), in accordance with the procedures (including prorating in the event of over-subscription and calculation of the principal amount of Notes denominated in different currencies) set forth in the Indenture. To the extent that any portion of the amount of Net Available Cash remains after compliance with the preceding sentence, the Issuer may apply the remaining Net Available Cash in accordance with clause (a)(3)(D) of this covenant. The Issuer will not be required to make an Excess Proceeds Offer for Notes or any other Indebtedness pursuant to this covenant if the Net Available Cash available therefor (after application of the proceeds as provided in clauses (a)(3)(A) and (a)(3)(B)) is less than £40 million for any particular Asset Disposition (which lesser amount will be carried forward for purposes of determining whether an Excess Proceeds Offer is required with respect to the Net Available Cash from any subsequent Asset Disposition). Upon completion of each Excess Proceeds Offer, the amount of Allocable Excess Proceeds will be reset at zero.

The term “Allocable Excess Proceeds” means the product of:

(y) the amount of Net Available Cash remaining after application in accordance with clauses (a)(3)(A) and (a)(3)(B) above, and

(z) a fraction,

(1) the numerator of which is the aggregate principal amount of the Notes outstanding on the date of an Excess Proceeds Offer, plus accrued and unpaid interest thereon, if any, to such date, and

(2) the denominator of which is the sum of the aggregate principal amount of the Notes outstanding on the date of such Excess Proceeds Offer, plus accrued and unpaid interest thereon, if any, to such date, and the aggregate principal amount (or accreted value in the case of Indebtedness with original issue discount) of any Pari Passu Debt plus accrued and unpaid interest thereon, if any, to such date.

(c) For the purposes of this covenant, the following are deemed to be cash:

- Indebtedness and other liabilities shown on the most recent balance sheets of the Company and any Restricted Subsidiary prior to the date of such Asset Disposition (other than Subordinated Obligations) (i) that are assumed by the transferee of any such assets and (ii) for which the Company and the Restricted Subsidiaries are released from all liability at the time of such Asset Disposition;
- any securities, notes or other obligations received by the Company or any such Restricted Subsidiary from such transferee that are converted, sold or exchanged by the Company or such Restricted Subsidiary into cash or Temporary Cash Investments within 90 days, to the extent of the cash or Temporary Cash Investments received in that conversion, sale or exchange; and
- any Designated Non-Cash Consideration.

(d) The Issuer will comply with the requirements of Section 14(e) of the Exchange Act and any applicable securities laws or regulations in connection with the repurchase of Notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this covenant by virtue thereof.

Limitation on Transactions with Affiliates. (a) The Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly, enter into any transaction or series of related transactions (including the purchase, sale, lease or exchange of any Property or the rendering of any service) with any Affiliate of the Company (an “Affiliate Transaction”) unless such transaction is on terms:

(1) that are not materially less favorable to the Company or such Restricted Subsidiary, as the case may be, than those that could be obtained at the time of such transaction in arm’s length dealings with a Person who is not such an Affiliate;

(2) that, in the event such Affiliate Transaction involves an aggregate amount in excess of £25 million;

(A) are set forth in writing; and

(B) have been approved by a majority of the members of the Board of Directors having no personal stake in such Affiliate Transaction; and

(3) that, in the event such Affiliate Transaction involves an aggregate amount in excess of £100 million, have been determined by an Independent Financial Advisor to be fair, from a financial standpoint, to the Company and the Restricted Subsidiaries.

(b) The provisions of the foregoing paragraph (a) will not apply to:

(1) any Restricted Payment permitted to be paid or made pursuant to the covenant described under “—Limitation on Restricted Payments;”

(2) transactions between the Company and any Restricted Subsidiary (other than a Receivables Subsidiary) or between Restricted Subsidiaries (other than a Receivables Subsidiary);

(3) sales of accounts receivable or any participations therein to a Receivables Subsidiary in connection with any Qualified Receivables Transaction;

(4) in respect of clauses (2) and (3) of paragraph (a) above, only, any issuance of securities, or other payments, awards or grants in cash, securities (including stock options and similar rights) or similar transfers to employees, directors and consultants of the Parent, the Company or any Restricted Subsidiary and any of their Subsidiaries pursuant to, or for the purpose of funding, employment arrangements, stock options and share ownership plans;

(5) in respect of clauses (2) and (3) of paragraph (a) above, only, any loans or advances, or Guarantees of third-party loans, to directors, officers, employees and consultants in the ordinary course of business in accordance with past practices of the Parent, the Company or any Restricted Subsidiary, as applicable;

(6) the payment of reasonable fees and indemnities (including under customary insurance) to directors, officers and consultants of the Parent, the Company, any Restricted Subsidiary and any of their Subsidiaries;

(7) any tax sharing agreement or arrangement and payments pursuant thereto between or among the Parent, the Company, any Virgin Media Holding Company, the Issuer and any other Restricted Subsidiaries not otherwise prohibited by the Indenture;

(8) commercial transactions on arm’s length terms entered into in the ordinary course of business of which the disinterested directors of the Company have been notified or, if there are no disinterested directors, the directors;

(9) transactions with Affiliates in their capacity as holders of Indebtedness or Capital Stock of the Issuer, the Company or any Restricted Subsidiary, so long as such Affiliates are treated no more favorably than holders of such Indebtedness or Capital Stock generally;

(10) transactions with Affiliates in their capacity as borrowers of Indebtedness from the Issuer, the Company or any Restricted Subsidiary, so long as such Affiliates are treated no more favorably than holders of such Indebtedness or Capital Stock generally;

(11) any agreement in effect on the Closing Date or any amendment or other modification thereto (so long as such amendment or other modification is not disadvantageous to the Holders in any material respect) or any transactions pursuant thereto;

(12) the issuance and sale of Capital Stock of the Parent or the Company to (A) any officer, director or consultant of the Company, any Restricted Subsidiary or any other Virgin Media Holding Company pursuant to agreements outstanding on the Closing Date, or (B) any Virgin Media Holding Company or any Restricted Subsidiary;

(13) the entering into, maintaining or performing of any employee contract, collective bargaining agreement, benefit plan, program or arrangement, related trust agreement or any other similar arrangement for or with any employee, officer, director or consultant heretofore or hereafter entered into in the ordinary course of business, including vacation, health, insurance, deferred compensation, severance, retirement, savings or other similar plans, programs or arrangements;

(14) any insurance arrangements entered into in the ordinary course of business with a captive insurance company;

(15) transactions between any Restricted Subsidiary and VM FinanceCo and/or Virgin Media Communications, or between the Company and VM FinanceCo and/or Virgin Media Communications, in each case, to effect or facilitate a transfer of any property or asset from the Company and/or any Restricted Subsidiary to another Restricted Subsidiary and/or the Company, as applicable;

(16) transactions relating to the provision of Intra-Group Services in the ordinary course of business; or

(17) any transaction in the ordinary course of business between or among the Issuer or any Restricted Subsidiary and any Affiliate of the Company that is an Unrestricted Subsidiary or a joint venture or similar entity (including a Permitted Joint Venture) that would constitute an Affiliate Transaction solely because the Issuer or a Restricted Subsidiary owns an equity interest in or otherwise controls such Unrestricted Subsidiary, joint venture or similar entity.

Limitation on Activities. The Company will not, and will not permit any Restricted Subsidiary to, engage in any business, other than a Permitted Business, except for any businesses that are immaterial to the business as a whole.

Limitation on Sale/Leaseback Transactions. The Company will not, and will not permit any Restricted Subsidiary to, enter into any Sale/Leaseback Transaction with respect to any Property unless:

(1) the Company or such Restricted Subsidiary would be entitled to:

(A) Incur Indebtedness in an amount equal to the Attributable Debt with respect to such Sale/Leaseback Transaction pursuant to the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness;” and

(B) create a Lien on such Property securing such Attributable Debt pursuant to the covenant described under “—Certain Covenants—During the Suspension Period—Limitation on Liens;”

(2) the net proceeds received by the Company or such Restricted Subsidiary in connection with such Sale/Leaseback Transaction represent the Fair Market Value of such Property; and

(3) the transfer of such Property is permitted by, and the Company or such Restricted Subsidiary applies the proceeds of such transaction in compliance with, the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Sales of Assets and Subsidiary Stock.”

Merger and Consolidation

The Company will not consolidate with or merge with or into, or convey, transfer or lease all or substantially all its assets to, any Person, unless:

(1) the Company is the surviving corporation or the resulting, surviving or transferee Person other than the Company (the “Successor Company”) will be a corporation organized and existing under the laws of any country that is a Member State, Bermuda, the Cayman Islands, the United States of America, any State thereof or the District of Columbia, and the Successor Company will expressly assume, by agreements, executed and delivered to the Trustee, in form and substance reasonably satisfactory to the Trustee, all the obligations of the Company under the Notes, the Indenture, the Registration Rights Agreement, the Collateral Documents and the Intercreditor Deeds, as applicable, and shall cause such amendments, supplements or other instruments to be executed, filed, and recorded in such jurisdictions as may be required by applicable law to preserve and protect the Lien on the Collateral owned by or transferred to the Successor Company, together with such financing statements or comparable documents as may be required to perfect any security interests in such Collateral which may be perfected by the filing of a financing statement or a similar document under the Uniform Commercial Code or other similar statute or regulation of the relevant states or jurisdictions, as applicable;

(2) immediately after giving effect to such transaction (and treating any Indebtedness not previously an obligation of the Company which becomes an obligation of the Successor Company or any Restricted Subsidiary as a result of such transaction having been Incurred by the Successor Company or such Restricted Subsidiary at the time of such transaction), no Default or Event of Default shall have occurred and be continuing;

(3) except during a Suspension Period, immediately after giving effect to such transaction, the Company, if it is the surviving corporation, or the Successor Company, would be able to Incur an additional £1.00 of Indebtedness under paragraph (a) of the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness;”

(4) each Note Guarantor (unless it is the other party to the transaction above, in which case clause (1) shall apply) shall have by supplemental indenture confirmed that its Note Guarantee shall apply to such Person’s obligations in respect of the Indenture and the Notes and its obligations under the Collateral Documents and the Intercreditor Deeds, as applicable, shall continue to be in effect, and shall cause such amendments, supplements or other instruments to be executed, filed, and recorded in such jurisdictions as may be required by applicable law to preserve and protect the Lien on the Collateral owned by such Note Guarantor that is a Subsidiary Guarantor, together with such financing statements or comparable documents as may be required to perfect any security interests in such Collateral which may be perfected by the filing of a financing statement or a similar document under the Uniform Commercial Code or other similar statute or regulation of the relevant states or jurisdictions, as applicable; and

(5) the Company shall have delivered to the Trustee an Officer’s Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture (if any) comply with the provisions described in this paragraph; *provided*, that in giving such opinion, such counsel may rely on an Officer’s Certificate as to compliance with clauses (2) and (3) above and as to any matters of fact.

The Successor Company will succeed to, and be substituted for, and may exercise every right and power of, the Company under the Indenture, and upon such substitution, the predecessor Company will be released from its obligations under the Indenture and the Notes, but, in the case of a conveyance, transfer or lease of all or substantially all its assets, such predecessor Company will not be released from the obligation to pay the principal of and interest on the Notes.

Clauses (2) and (3) of the first paragraph of this section will not apply to any transaction in which (i) any Restricted Subsidiary consolidates with, merges into or transfers all or part of its properties and assets to the Company or (ii) (x) the Company consolidates or merges with or into or transfers all or substantially all of its assets to an Affiliate incorporated or organized for the purpose of changing the legal domicile of the Company, reincorporating the Company in another jurisdiction or changing its legal structure to a corporation or other entity or (y) the Company consolidates or merges with or into or transfers all or substantially all of its assets to a Restricted Subsidiary so long as all assets of the Restricted Subsidiaries immediately prior to such transaction (other than Capital Stock of such Restricted Subsidiary) are owned by such Restricted Subsidiary and the Restricted Subsidiaries immediately after the consummation thereof.

In addition, the Issuer and each Note Guarantor will not consolidate with or merge with or into, or convey, transfer or lease all or substantially all of its assets to any Person unless:

(1) the resulting, surviving or transferee Person if other than the Issuer or such Note Guarantor (the "Successor Entity") will be a corporation organized and existing under the laws of a country that is a Member State, Bermuda, the Cayman Islands, the United States of America, any State thereof or the District of Columbia, and such Person (if not the Issuer or such Note Guarantor) will expressly assume, by a supplemental indenture, executed and delivered to the Trustee, in form and substance satisfactory to the Trustee, all the obligations of the Issuer or such Note Guarantor under the Indenture, the Note Guarantee, the Registration Rights Agreement, the Collateral Documents and the Intercreditor Deeds, as applicable, and shall cause such amendments, supplements or other instruments to be executed, filed, and recorded in such jurisdictions as may be required by applicable law to preserve and protect the Lien on the Collateral owned by or transferred to the Successor Guarantor, together with such financing statements or comparable documents as may be required to perfect any security interests in such Collateral which may be perfected by the filing of a financing statement or a similar document under the Uniform Commercial Code or other similar statute or regulation of the relevant states or jurisdictions, as applicable;

(2) immediately after giving effect to such transaction (and treating any Indebtedness not previously an obligation of the Issuer or such Note Guarantor which becomes an obligation of the Successor Entity or any Restricted Subsidiary as a result of such transaction as having been Incurred by the Successor Entity or any Restricted Subsidiary at the time of such transaction), no Default or Event of Default shall have occurred and be continuing; and

(3) each Note Guarantor shall have delivered a written instrument in form and substance satisfactory to the Trustee confirming its Note Guarantee in respect of the Indenture and the Notes and its obligations under the Registration Rights Agreement, Collateral Documents and the Intercreditor Deeds, as applicable, shall continue to be in effect and shall cause such amendments, supplements or other instruments to be executed, filed, and recorded in such jurisdictions as may be required by applicable law to preserve and protect the Lien on the Collateral owned by such Subsidiary Guarantor, together with such financing statements or comparable documents as may be required to perfect any security interests in such Collateral which may be perfected by the filing of a financing statement or a similar document under the Uniform Commercial Code or other similar statute or regulation of the relevant states or jurisdictions as applicable; and

(4) the Issuer will have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture (if any) comply with the Indenture; *provided* that in giving such opinion, such counsel may rely on an Officer's Certificate as to compliance with clause (2) above and as to any matters of fact.

Notwithstanding the foregoing, the Company or any Restricted Subsidiary may consolidate with, merge into or transfer all or part of its properties and assets to the Issuer or any Note Guarantor; provided, however, that neither the Company nor any Restricted Subsidiary shall be permitted to consolidate with, merge into or transfer all or part of its properties and assets to any Note Guarantor if following such consolidation, merger or transfer such Note Guarantor would be prohibited by applicable law from continuing to provide a Note Guarantee or the amount of such Note Guarantee would be required to be limited to a greater extent than immediately prior to such consolidation, merger or transfer.

There is no precise established definition of the phrase “substantially all” under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of “all or substantially all” of the Property or assets of a Person. As a result there may be circumstances in which it is unclear whether the provisions of this section apply.

Events of Default

Each of the following is an Event of Default:

- (1) a default in any payment of interest on, or Additional Amounts with respect to, any Note when due and payable continued for 30 days;
- (2) a default in the payment of principal of or premium, if any, on any Note when due and payable at its Stated Maturity, upon optional redemption, upon required repurchase, upon declaration or otherwise;
- (3) the failure to comply with obligations under the covenant described under “—Merger and Consolidation” above;
- (4) the failure to comply for 30 days after notice with any obligations under the covenants described under “—Repurchase at the Option of the Holders” or “—Certain Covenants—During the Reinstatement Period—Limitation on Sales of Assets and Subsidiary Stock” above (in each case, other than a failure to purchase Notes which will constitute an Event of Default under clause (2) above);
- (5) the failure to comply for 60 days after notice with any other agreement contained in the Notes, the Indenture, the Collateral Documents and the Intercreditor Deeds; provided, however, that we shall have 90 days after receipt of such notice to remedy, or receive a waiver for, any failure to comply with our obligations to file our annual, quarterly and current reports in accordance with the covenant described under “—Certain Covenants—During the Suspension Period—Ongoing Reporting” or to comply with Section 314(a)(1) of the Trust Indenture Act so long as we are attempting to cure such failure as promptly as reasonably practicable;
- (6) the failure by the Company, the Issuer or any other Restricted Subsidiary or any other Virgin Media Holding Company to pay any Indebtedness within any applicable grace period after final maturity, or the acceleration of any such Indebtedness by the holders thereof because of a default, if, in each case, the total amount of such Indebtedness unpaid or accelerated exceeds £50 million or its equivalent in another currency (the “cross acceleration provision”);
- (7) (A) a proceeding is commenced seeking a decree or order for (i) relief in respect of the Company, the Issuer or a Significant Subsidiary in an involuntary case under any applicable Bankruptcy Law, (ii) appointment of a receiver, liquidator, assignee, custodian, trustee, examiner, administrator, sequestration or similar official of the Company, the Issuer or a Significant Subsidiary or for all or substantially all of the property and assets of the Company, the Issuer or a Significant Subsidiary or (iii) the winding up or liquidation of the affairs of the Company, the Issuer or a Significant Subsidiary (other than, except in the case of the Issuer, a solvent winding up or liquidation in connection with a transfer of assets among the Company and the Restricted Subsidiaries) and, in each case, such proceeding shall remain unstayed and in effect for a period of 30 consecutive days; or
(B) other than, except in the case of the Issuer, in relation to a solvent winding up or liquidation in connection with a transfer of assets among the Company and the Restricted Subsidiaries, the Company, the Issuer or a Significant Subsidiary (i) commences a voluntary case (including taking any action for the purpose of winding up) under any applicable Bankruptcy Law, or consents to the entry of an order for relief in an involuntary case under any such law, (ii) consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, examiner, administrator, sequestration or similar official of the Company, the Issuer or a Significant Subsidiary or for all or substantially all of the property and assets of the Company, the Issuer or a Significant Subsidiary or (iii) effects any general assignment for the benefit of creditors;

(8) the rendering of any judgment or decree for the payment of money in excess of £50 million or its equivalent in another currency against the Company or any Restricted Subsidiary if such judgment or decree remains outstanding for a period of 60 days following such judgment or decree and is not discharged, waived or stayed before the end of such period (the “judgment default provision”);

(9) any Note Guarantee of the Company or a Significant Subsidiary or any of the Intercreditor Deeds ceases to be in full force and effect (except as contemplated by the terms thereof) or the Company or a Significant Subsidiary or Person acting by or on behalf of either the Company or a Significant Subsidiary denies or disaffirms in writing the Company’s or a Significant Subsidiary’s obligations under the Indenture or any Note Guarantee (other than by reason of the termination of the Indenture or such Note Guarantee or the release of such Note Guarantee in accordance with such Note Guarantee or the Indenture); or

(10) with respect to any Collateral having a fair market value in excess of £100 million, individually or in the aggregate, (A) the failure of the Lien with respect to such Collateral under the Collateral Documents, at any time, to be in full force and effect in any material respect for any reason other than in accordance with their terms and the terms of the Indenture and other than the satisfaction in full of all obligations under the Indenture and discharge of the Indenture if such Default continues for 60 days after receipt of notice by the Trustee of such event, (B) the declaration by any court of competent jurisdiction in a judicial proceeding that the Lien with respect to such Collateral created under the Collateral Documents or under the Indenture is invalid or unenforceable, if such Default continues for 60 days or (C) the assertion in writing by the Company or any Note Guarantor, in any pleading in any court of competent jurisdiction, that any such Lien is invalid or unenforceable and any such Default continues for 60 days.

The foregoing will constitute Events of Default whatever the reason for any such Event of Default and whether it is voluntary or involuntary or is effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body.

However, a default under clause (4) or (5) will not constitute an Event of Default until the Trustee notifies the Issuer or the Holders of at least 25% in aggregate principal amount of the outstanding Notes notify the Issuer and the Trustee of the default and the Company, the Issuer or the relevant Restricted Subsidiary, as applicable, does not cure such default within the time specified in clause (4) or (5) after receipt of such notice. Such notice must specify the Default, demand that it be remedied and state that such notice is a notice of Default. When a Default or an Event of Default is cured within the time specified, it ceases. In the event of a declaration of acceleration of the Notes because an Event of Default described in clause (6) above has occurred and is continuing, the declaration of acceleration of the Notes shall be automatically annulled if the event of default or payment default triggering such Event of Default pursuant to clause (6) shall be remedied or cured, or waived by the holders of the Indebtedness, or the Indebtedness that gave rise to such Event of Default shall have been discharged in full, within 30 days after the declaration of acceleration with respect thereto and if (1) the annulment of the acceleration of the Notes would not conflict with any judgment or decree of a court of competent jurisdiction and (2) all existing Events of Default, except nonpayment of principal, premium or interest on the Notes that became due solely because of the acceleration of the Notes, have been cured or waived.

Subject to the terms of the Group Intercreditor Deed and the provisions of the above paragraph, if an Event of Default (other than an Event of Default under the bankruptcy provisions described in clause (7) with respect to the Issuer, any Note Guarantor or any Significant Subsidiary) occurs and is continuing and is known to the Trustee, the Trustee or the Holders of at least 25% in aggregate principal amount of the outstanding Notes by notice to the Issuer may declare the principal of and accrued but unpaid interest on all the Notes to be due and payable. Upon such a declaration, such principal and interest will be due and payable immediately. If an Event of Default under the bankruptcy provisions described in clause (7) with respect to the Issuer, any Note Guarantor or any Significant Subsidiary occurs, the unpaid principal of and interest on all the Notes will become immediately due and payable without any declaration or other act on the part of the Trustee or any Holders. Under certain circumstances, the Holders of a majority in aggregate principal amount of the outstanding Notes may rescind any such acceleration with respect to the Notes and its consequences.

Subject to the provisions of the Indenture relating to the duties of the Trustee, in case an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any of the Holders unless such Holders have provided to the Trustee indemnity or security satisfactory to the Trustee against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium (if any) or interest when due, no Holder may pursue any remedy with respect to the Indenture or the Notes unless:

- (1) such Holder has previously given the Trustee written notice that an Event of Default is continuing;
- (2) Holders of at least 25% in aggregate principal amount of the outstanding Notes have requested the Trustee in writing to pursue the remedy;
- (3) such Holders have provided the Trustee security or indemnity satisfactory to the Trustee against any loss, liability or expense;
- (4) the Trustee has not complied with such written request within 60 days after the receipt of such request and the security or indemnity reasonably satisfactory to the Trustee; and
- (5) the Holders of a majority in aggregate principal amount of the outstanding Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

The Holders of a majority in aggregate principal amount of the outstanding Notes will be given the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. The Trustee, however, may refuse to follow any direction that the Trustee determines (after consultation with counsel) conflicts with law, the Indenture or the Intercreditor Deeds or that the Trustee determines is unduly prejudicial to the rights of any other Holder or that may involve the Trustee in personal liability or expense, *provided* that the Trustee may take any other action deemed proper by the Trustee which is not consistent with any such direction. Prior to taking any action under the Indenture, the Trustee will be entitled to reasonable indemnification against all losses and expenses caused by taking or not taking such action.

If a Default (or the Event of Default) occurs and is continuing and is known to the Trustee, the Trustee must mail to each Holder notice of the Default (or the Event of Default) within the earlier of 90 days after it occurs or 30 days after it is known to a Trust Officer or written notice of it is received by the Trustee. Except in the case of a Default in the payment of principal of, premium, if any, or interest on any Note (including payments pursuant to the redemption provisions of such Note), the Trustee may withhold notice if and so long as a committee of its Trust Officers in good faith determines that withholding notice is in the best interests of the Holders.

In addition, the Issuer will be required to deliver to the Trustee, within 120 days after the end of each fiscal year, an Officer's Certificate indicating whether the signer thereof knows of any Default that occurred during the previous fiscal year. The Issuer will also be required to deliver to the Trustee, within 30 days after the occurrence thereof, written notice of any event which would constitute an Event of Default, its status and what action the Issuer is taking or proposes to take in respect thereof.

Amendment, Supplement and Waiver

Subject to certain exceptions, the Indenture, the Notes, the Subsidiary Guarantees and the Collateral Documents may be amended or supplemented with the consent of the Holders of a majority in aggregate principal amount of the Notes then outstanding and, subject to certain exceptions, any past default or compliance with certain provisions thereof may be waived with the consent of the Holders of a majority in aggregate principal amount of the Notes then outstanding; *provided, however*, that if any amendment, waiver or other modification would only affect the Dollar Notes or the Sterling Notes, the consent of the Holders of at least a majority in aggregate principal amount of the then-outstanding Notes of the affected series (and not the consent of the Holders of any other series of Notes) shall be required. However, with respect to the Notes, without the consent of each Holder of an outstanding Note affected, no amendment or supplement may:

- (1) reduce the principal amount of Notes whose Holders must consent to an amendment or waiver;

- (2) reduce the rate of or extend the time for payment of interest on any Note;
- (3) reduce the principal of or extend the Stated Maturity of any Note;
- (4) reduce the premium payable upon the redemption of any Note or change the time at which any Note may be redeemed as described under “—Optional Redemption with a Make-Whole” above;
- (5) make any Note payable in money other than that stated in the Note;
- (6) impair the right of any Holder to receive payment of principal of, and interest on, such Holder’s Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such Holder’s Notes;
- (7) make any change in the amendment provisions which require each Holder’s consent or in the waiver provisions described in this sentence; and
- (8) modify the Note Guarantees in any manner materially adverse to the Holders of the Notes.

In addition, (A) without the consent of at least seventy-five per cent (75%) in aggregate principal amount of Notes then outstanding, no amendment or supplement may:

- (1) release any Note Guarantor or the Company from any of its obligations under its Note Guarantee or Company Guarantee, as the case may be, except in accordance with the terms of the Indenture; and
- (2) modify any Collateral Document or the provisions in the Indenture dealing with Collateral Documents or application of trust moneys in any manner, taken as a whole, materially adverse to the Holders or otherwise release all or substantially all of the Collateral except in accordance with the terms of the Indenture; and

(B) without the consent of each affected Holder, no amendment or supplement to any Intercreditor Deed may be made that materially adversely affects (x) the ranking (as it relates to the right to receive payments on enforcement) of the Notes and Note Guarantees with respect to any Pari Passu Lien Obligations and (y) the subordination (as it relates to the right to receive payments on enforcement) of Subordinated Obligations to the Notes and Note Guarantees as set forth in the Intercreditor Deeds;

Notwithstanding any of the foregoing, with respect to the Notes, without the consent of any Holder, the Parent, the Issuer, the Subsidiary Guarantors and the Trustee may amend or supplement the Indenture, the Notes, the Subsidiary Guarantees, the Intercreditor Deeds and the Collateral Documents to:

- (1) cure any ambiguity, omission, defect or inconsistency; *provided* that such amendment does not, in the opinion of the Trustee, adversely affect the rights of any Holder in any material respect;
- (2) provide for the assumption by a successor corporation in accordance with the Indenture of the obligations of the Issuer under the Indenture, the Notes, the Subsidiary Guarantees and the Collateral Documents;
- (3) provide for uncertificated Notes in addition to or in place of certificated Notes (*provided, however*, that the uncertificated Notes are issued in registered form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated Notes are described in Section 163(f)(2)(B) of the Code);
- (4) add additional Guarantees with respect to the Notes;
- (5) add to the covenants for the benefit of the Holders or to surrender any right or power conferred upon the Company, any Restricted Subsidiary or any of their Subsidiaries;
- (6) make any change that does not materially adversely affect the rights of any Holder in any respect, subject to the provisions of the Indenture, the Notes, the Subsidiary Guarantees, the Intercreditor Deeds and the Collateral Documents;
- (7) provide for the issuance of Additional Notes;

(8) mortgage, pledge, hypothecate or grant a security interest in any Property for the benefit of any Person or add additional Collateral to secure the Notes and Subsidiary Guarantees; *provided, however*, that the granting of such security interest is not prohibited by the Indenture and the covenant described under “—Certain Covenants—During the Suspension Period—Limitation on Liens” is complied with;

(9) release Note Guarantees and/or Liens in favor of the Security Trustee in the Collateral in accordance with the terms of the Indenture, the Intercreditor Deeds and the Collateral Documents, as applicable;

(10) comply with any requirement of the SEC in connection with the qualification of the Indenture under the Trust Indenture Act;

(11) provide for a reduction in the minimum denominations of the Notes;

(12) provide for the issuance of Exchange Notes or private exchange notes, which are identical to Exchange Notes except that they are not freely transferable;

(13) make any amendment to the provisions of the Indenture relating to the transfer and legend of Notes as permitted by the Indenture, including, without limitation to facilitate the issuance and administration of the Notes; provided, however, that (i) compliance with the Indenture as so amended would not result in Notes being transferred in violation of the Securities Act or any applicable securities law and (ii) such amendment does not materially and adversely affect the rights of Holders to transfer Notes;

(14) add additional secured parties to the extent Liens securing obligations held by such parties are permitted under the Indenture;

(15) enter into additional or supplemental Collateral Documents;

(16) subject to the second paragraph of this section, enter into any amendments or supplements to any of the Intercreditor Deeds or any Additional Intercreditor Deed or any Collateral Documents that is not prohibited by the terms of the Indenture and the Intercreditor Deed or Additional Intercreditor Deed, as applicable;

(17) provide for the succession of any parties to the Collateral Documents (and other amendments that are administrative or ministerial in nature) in connection with an amendment, renewal, extension, substitution, refinancing, restructuring, replacement, supplementing or other modification from time to time of any agreement in accordance with the terms of the Indenture and the relevant Collateral Document; and

(18) provide for the release of any Collateral or Guarantee as described in the third paragraph under “—Covenant Suspension and Release of Guarantees and Collateral.”

For purposes of determining whether the Holders of the requisite principal amount of Notes have taken any action under the Indenture, the principal amount of Sterling Notes and Dollar Notes shall be deemed to be the Dollar Equivalent of such principal amount of Sterling Notes and Dollar Notes as of (i) if a record date has been set with respect to the taking of such action, such date or (ii) if no such record date has been set, the date the taking of such action by the Holders of such requisite principal amount is certified to the Trustee by the Issuer.

After an amendment becomes effective, the Issuer is required to mail to Holders a notice briefly describing such amendment. However, the failure to give such notice to all Holders, or any defect therein, will not impair or affect the validity of the amendment. In addition, for so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of such exchange so require, the Issuer will inform such exchange of any amendment, supplement or waiver and will publish notice of such amendment, supplement or waiver in Luxembourg in a daily newspaper with general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Defeasance

The Company and the Issuer may at any time terminate all obligations of the Issuer and the Note Guarantors under the Notes, the Note Guarantees, the Indenture, the Intercreditor Deeds and the Collateral Documents, and cause the release of all Liens on the Collateral granted under the Collateral Documents (“legal defeasance”), except for certain obligations, including those respecting the defeasance trust and obligations to register the transfer or exchange of the Notes, to replace mutilated, destroyed, lost or stolen Notes and to maintain a registrar and paying agent in respect of the Notes.

In addition, the Company and the Issuer may at any time terminate:

(1) the Issuer’s obligations under the covenants described under “—Certain Covenants During the Suspension Period” and under “—Certain Covenants—During the Reinstatement Period ” and “—Repurchase at the Option of the Holders;” and

(2) the operation of the cross-acceleration provision, the bankruptcy provisions with respect to any Note Guarantor and Significant Subsidiaries and the judgment default provision described under “—Events of Default” above and the limitations contained in clause (3) under the first paragraph of “—Merger and Consolidation” above (“covenant defeasance”).

In the event that the Company or the Issuer exercises its legal defeasance option, each Note Guarantor will be released from all of its obligations with respect to its Note Guarantee and the Collateral Documents.

The Company or the Issuer may exercise its legal defeasance option notwithstanding its prior exercise of its covenant defeasance option. If the Company or the Issuer exercises its legal defeasance option, payment of the Notes may not be accelerated because of an Event of Default with respect thereto. If the Company or the Issuer exercises its covenant defeasance option, payment of the Notes may not be accelerated because of an Event of Default specified in clause (4), (6), (7) (with respect only to any Note Guarantor and Significant Subsidiaries) or (8) under “—Events of Default” above or because of the failure of the Issuer to comply with clause (3) under the first paragraph of “—Merger and Consolidation” above.

In order to exercise either defeasance option, the Company or the Issuer must irrevocably deposit in trust (the “defeasance trust”) with the Trustee cash in U.S. dollars or U.S. Government Obligations or a combination thereof (in the case of the Dollar Notes) or cash in pounds sterling or UK Government Obligations or a combination thereof (in the case of the Sterling Notes), the principal of and interest on which will be sufficient to pay the principal of, premium (if any) and interest on the outstanding Notes to redemption or maturity, as the case may be, as specified in an Officer’s Certificate, and must comply with certain other conditions, including delivery to the Trustee of an Opinion of Counsel to the effect that Holders and beneficial owners of the Notes will not recognize income, gain or loss for U.S. Federal or U.K. income tax purposes as a result of such deposit and defeasance and will be subject to U.S. Federal and U.K. income tax on the same amounts and in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred (and, in the case of legal defeasance only, such Opinion of Counsel must be based on and refer to a ruling of the Internal Revenue Service or other change in applicable U.S. Federal income tax law).

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect as to all Notes and Note Guarantees issued thereunder when:

(1) either:

(A) all the Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and applicable Notes for whose payment money has been deposited in trust and thereafter repaid to the Issuer in accordance with the Indenture, have been delivered to the Trustee for cancellation; or

(B) all of the Notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable within one year and the Issuer has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the Holders, cash in U.S. dollars or U.S. Government Obligations (in the case of the Dollar Notes) or cash in pounds sterling or UK Government Obligations (in the case of the Sterling Notes) in amounts as will be sufficient without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the applicable Notes not delivered to the Trustee for cancellation for principal, premium and Additional Amounts, if any, and accrued interest to the date of maturity or redemption;

(2) no Default or Event of Default has occurred and is continuing on the date of the deposit or will occur as a result of the deposit and the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Issuer is a party or by which the Issuer is bound;

(3) the Issuer has paid or caused to be paid all sums payable by it under the Indenture; and

(4) the Issuer has delivered irrevocable instructions to the Trustee under the Indenture to apply the deposited money toward the payment of the applicable Notes at maturity or the redemption date, as the case may be.

In addition, the Issuer must deliver an Officer's Certificate and an Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Prescription

There is no express term in the Indenture as to any time limit on the validity of claims of the Holders to interest and repayment of principal, but any such claims will be subject to any statutory limitation period prescribed under the laws of the State of New York.

Concerning the Trustee

The Bank of New York Mellon is to be the Trustee under the Indenture and has been appointed by the Issuer as a Paying Agent with regard to the Notes.

The Bank of New York Mellon, as trustee, is permitted to engage in other transactions with us from time to time. If the Trustee becomes a creditor of the Issuer, the Indenture limits its rights to obtain payment of claims in certain cases, or to realize on certain Property received in respect of any such claim as security or otherwise. The Trustee will be permitted to engage in other transactions; however, if it acquires any conflicting interest (within the meaning of the Trust Indenture Act) it must eliminate such conflict within 90 days, apply to the SEC for permission to continue as trustee or resign.

The Holders of a majority in aggregate principal amount of the then-outstanding Notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee in respect of such Notes, subject to certain exceptions. The Indenture provides that in case an Event of Default occurs and is continuing, the Trustee will exercise such of the rights and powers vested in it by the Indenture, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs. Subject to such provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any Holder of Notes unless such Holder has provided to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

Notices

All notices to Holders of each series of Notes will be validly given if mailed to them at their respective addresses in the register of the Holders of such Notes, if any, maintained by the Registrar. In addition, for so long

as any of the Notes are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, notices with respect to the Notes listed on the Luxembourg Stock Exchange will be published in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Governing Law

The Indenture and the Notes will be governed by, and construed in accordance with, the laws of the State of New York without giving effect to applicable principles of conflicts of law to the extent that the application of the law of another jurisdiction would be required thereby.

Consent to Jurisdiction and Service of Process

The Indenture provides that the Issuer and each Note Guarantor irrevocably submits to the non-exclusive jurisdiction of any New York state or U.S. federal court located in the Borough of Manhattan in the City and State of New York over any suit, action or proceeding arising out of or relating to the Indenture and that the Issuer and each Note Guarantor appoints Parent as its agent to receive service of all process brought against them with respect to any such suit, action or proceeding in any such court in the City and State of New York.

No Personal Liability of Directors, Officers, Employees and Stockholders

No past, present or future director, officer, employee, incorporator or stockholder of Parent, the Company, the Issuer or any Subsidiary Guarantor, as such, will have any liability for any obligations of Parent, the Issuer or any Subsidiary Guarantor under the Parent Guarantee, the Notes, the Subsidiary Guarantees or the Indenture, or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under U.S. Federal securities laws and it is the view of the SEC that such a waiver is against public policy.

Enforceability of Judgments

Since the Issuer and the Subsidiary Guarantors are incorporated in the United Kingdom and substantially all of their operating assets and the operating assets of their Subsidiaries are outside the United States, any judgment obtained in the United States against the Issuer or the Subsidiary Guarantors, including judgments with respect to the payment of principal, premium, interest, Additional Amounts and any purchase price with respect to the Notes, may not be collectable within the United States. See “Enforceability of Civil Liabilities.”

Currency Indemnity

The currency of account and payment for all sums, including damages, payable by the Issuer or any Note Guarantor under or in connection with the Dollar Notes and Sterling Notes, as the case may be, is U.S. dollars and pounds sterling, respectively. Any amount received or recovered in a currency other than U.S. dollars (in the case of the Dollar Notes) or pounds sterling (in the case of the Sterling Notes), whether as a result of, or the enforcement of, a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Issuer or any Note Guarantor or otherwise by any Holder of a Dollar Note or a Sterling Note, as the case may be, or by the Trustee, in respect of any sum expressed to be due to it from the Issuer or any Note Guarantor will only constitute a discharge to the Issuer or any Note Guarantor to the extent of the U.S. dollar amount or sterling amount, as the case may be, which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).

If that U.S. dollar amount is less than the U.S. dollar amount expressed to be due to the recipient or the Trustee under any Dollar Note or, if that sterling amount is less than the sterling amount expressed to be due to the recipient or the Trustee under any Sterling Note, the Issuer and any Note Guarantor will indemnify them

against any loss sustained by such recipient as a result. In any event, the Issuer and any Note Guarantor will indemnify the recipient against the cost of making any such purchase. For the purposes of this currency indemnity provision, it will be *prima facie* evidence of the matter stated therein for the Holder of a Note or the Trustee to certify in a manner satisfactory to the Issuer (indicating the sources of information used) the loss it incurred in making any such purchase. These indemnities constitute a separate and independent obligation from the Issuer and any Note Guarantor's other obligations, will give rise to a separate and independent cause of action, will apply irrespective of any waiver granted by any Holder of a Note or the Trustee (other than a waiver of the indemnities set out herein) and will continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note or to the Trustee.

Calculation of Sterling Denominated Restrictions

Except as otherwise specifically set forth herein under the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness,” for purposes of determining compliance with any sterling denominated restriction herein, the Sterling Equivalent amount for purposes hereof that is denominated in a non-sterling currency shall be calculated based on the relevant currency exchange rate in effect on the date such non-sterling amount is incurred or made, as the case may be.

Certain Definitions

“2006 Indenture” means the indenture dated as of July 25, 2006 between the Issuer, NTL Incorporated, NTL:Telewest LLC, NTL Holdings Inc., NTL (UK) Group, Inc., NTL Communications Limited, NTL Investment Holdings Limited, The Bank of New York as trustee and paying agent and The Bank of New York (Luxembourg) S.A. as Luxembourg paying agent.

“2010 Indenture” means the indenture dated as of January 19, 2010 between the Issuer, Virgin Media Inc., VM FinanceCo, Virgin Media Investment Holdings Limited, the guarantors parties thereto, the Bank of New York Mellon as trustee and paying agent and The Bank of New York Mellon (Luxembourg) S.A. as Luxembourg paying agent.

“Additional Assets” means:

(1) any Property or assets (other than Indebtedness and Capital Stock) to be used by the Company, the Issuer or a Restricted Subsidiary;

(2) the Capital Stock of a Person that becomes a Restricted Subsidiary as a result of the acquisition of such Capital Stock by the Company, the Issuer or another Restricted Subsidiary; or

(3) Capital Stock constituting a minority interest in any Person that at such time is a Restricted Subsidiary;

provided, however, that any such Restricted Subsidiary described in clause (2) or (3) above is primarily engaged in a Permitted Business.

“Affiliate” of any specified Person means any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, “control” when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Applicable Premium” means, with respect to a Note at any time, the greater of (1) 1.0% of the principal amount of such Note at such time and (2) the excess (to the extent positive) of (A) the present value at such time of (i) the principal amount of such Note plus (ii) any required interest payments due on such Note through January 15, 2021 (including any accrued and unpaid interest) computed using a discount rate equal to the

Treasury Rate, in the case of the Dollar Notes and the Gilt Rate, in the case of the Sterling Notes, in each case plus 25 basis points, over (B) the principal amount of such Note.

“Asset Disposition” means any sale, lease (other than operating leases entered into in the ordinary course of business), transfer or other disposition (or series of related sales, leases, transfers or dispositions), including any disposition by means of a merger, consolidation, or similar transaction (each referred to for the purposes of this definition as a “disposition”), of any shares of Capital Stock of the Company or a Restricted Subsidiary (other than directors’ qualifying shares or shares required by applicable law to be held by a Person other than the Issuer or a Restricted Subsidiary) or any assets of the Company or any Restricted Subsidiary other than:

(A) a disposition to the Company, the Issuer or any Subsidiary Guarantor;

(B) a disposition by the Company or a Restricted Subsidiary to a Restricted Subsidiary;

(C) for purposes of the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Sales of Assets and Subsidiary Stock” only, a disposition subject to the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Restricted Payments” or a disposition of assets to a joint venture as part of a transaction that is a Permitted Investment;

(D) any disposition permitted under the provisions described under “—Merger and Consolidation;”

(E) a sale of Temporary Cash Investments in the ordinary course of business;

(F) a disposition of inventory, consumer equipment, communications capacity and worn out or obsolete equipment or assets in the ordinary course of business;

(G) issuance of Capital Stock by a Restricted Subsidiary to the Company, the Issuer or another Restricted Subsidiary;

(H) any sale or other disposition of Receivables and Related Assets to a Receivables Subsidiary pursuant to or in connection with a Qualified Receivables Transaction;

(I) any sale or disposition deemed to occur in connection with creating or granting a Permitted Lien;

(J) any disposition of the Capital Stock or all or substantially all Property of any Unrestricted Subsidiary; *provided, however*, that such disposition shall include the concurrent transfer of all liabilities (contingent or otherwise) attributable to the Property being transferred; *provided further, however*, that such disposition shall not, after giving effect to any related agreements, result nor be likely to result in any material liability, tax or other adverse consequences to the Company or any Restricted Subsidiary;

(K) the licensing or sublicensing of intellectual property or other general intangibles and licenses, leases or subleases of other Property in the ordinary course of business which do not materially interfere with the business of the Company and the Restricted Subsidiaries;

(L) assets or Capital Stock acquired in an acquisition which the Company or any Restricted Subsidiary sells within 6 months of such acquisition;

(M) the disposition of any Interest Rate Agreements or Currency Agreements no longer required for the purposes for which any such agreement was originally entered into;

(N) disposals of assets pursuant to Sale/Leaseback Transactions not constituting Indebtedness where the aggregate Fair Market Value of any assets disposed of in reliance on this paragraph (N) does not, together with the aggregate principal amount of all outstanding Indebtedness incurred under clause (7) under “—Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness” exceed £150 million (or its equivalent in other currencies) in any financial year of the Company and any disposals of assets pursuant to Sale/Leaseback Transactions constituting Indebtedness to the extent such Indebtedness is otherwise permitted under the Indenture;

(O) disposals of non-core assets acquired in connection with any acquisition permitted pursuant to the terms of the Indenture;

(P) any disposals constituted by licenses of intellectual property rights;

(Q) any disposals in connection with a Content Transaction;

(R) (i) any disposal of assets made pursuant to the establishment of a Permitted Joint Venture, or (ii) any disposal of assets to a Permitted Joint Venture which is otherwise permitted hereunder and in relation to which the requirements of clause (a)(1) under “—Certain Covenants—During the Reinstatement Period—Limitation on Sales of Assets and Subsidiary Stock” are satisfied;

(S) foreclosure on assets;

(T) surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claims of any kind;

(U) any disposition of assets to a Person who is providing services related to such assets, the provision of which have been or are to be outsourced by the Company or any Restricted Subsidiary to such Person; *provided, however*, that (A) if the outsourcing relates to non-core business activities, the Company shall provide an Officer’s Certificate and (B) if the outsourcing relates to core business activities, the Board of Directors shall certify, in either case, that in the opinion of the Officer or the Board of Directors, as applicable, the outsourcing transaction will be economically beneficial to the Company and the Restricted Subsidiaries (considered as a whole) and that the costs of such outsourcing are fair; *provided further, however*, that the Fair Market Value of the assets disposed of, when taken together with all other dispositions made pursuant to this clause (U), do not exceed 5% of Total Assets; or

(V) a disposition of Capital Stock or assets in a transaction or series of related transactions with an aggregate Fair Market Value of less than £30 million.

“Attributable Debt” in respect of a Sale/Leaseback Transaction means, as at the time of determination, the present value (discounted at the interest rate reasonably determined in good faith by a responsible financial or accounting officer of the Issuer to be the interest rate implicit in such Sale/ Leaseback Transaction in accordance with GAAP) of the total obligations of the lessee for rental payments during the remaining term of the lease included in such Sale/Leaseback Transaction (including any period for which such lease has been extended).

“Average Life” means, as of the date of determination, with respect to any Indebtedness or Preferred Stock, the quotient obtained by dividing:

(1) the sum of the products of the number of years from the date of determination to the dates of each successive scheduled principal payment of such Indebtedness or scheduled redemption or similar payment with respect to such Preferred Stock multiplied by the amount of such payment by

(2) the sum of all such payments.

“Bank Group” shall have the meaning ascribed thereto in the Existing Credit Facility.

“Bank Indebtedness” means any and all amounts payable under or in respect of an agreement, instrument or other document relating to a Credit Facility (including security documents, fee letters and intercreditor agreements or deeds related thereto), including principal, premium (if any), interest (including interest accruing on or after the filing of any petition in bankruptcy or for reorganization relating to the Person liable thereunder whether or not a claim for post-filing interest is allowed in such proceedings), fees, charges, expenses, reimbursement obligations, Guarantees and all other amounts payable thereunder or in respect thereof, and any and all Refinancing Indebtedness Incurred in respect of any such amount (including amounts in respect of Refinancing Indebtedness), whether Incurred under or in respect of an agreement relating to a Credit Facility or otherwise.

“Bankruptcy Law” means (a) the U.K. Insolvency Act 1986 or any other bankruptcy, insolvency, liquidation or similar laws of general application and (b) the United States Bankruptcy Code of 1978 or any similar U.S. federal or state law for the relief of debtors.

“BBC Guarantees” means the guarantees required to be given by certain Restricted Subsidiaries in favor of BBC Worldwide Limited pursuant to the shareholder agreements relating to the UKTV Joint Ventures.

“Board of Directors” means the Board of Directors of the Issuer or any committee thereof duly authorized to act on behalf of the Board of Directors of the Issuer or, with respect to clause (2) of the definition of Change of Control, the Board of Directors of Parent or the Company.

“Business Day” means each day which is not a Saturday, Sunday or other day on which banking institutions are not required by law or regulation to be open in the State of New York or London, England.

“Business Division Transaction” means any creation or participation in any joint venture with respect to any assets, undertakings and/or businesses of the Company and the Restricted Subsidiaries which comprise all or part of the Virgin Media Business division (or its predecessor or successors), to or with any other entity or person whether or not the Company or any of the Restricted Subsidiaries, excluding the contribution to (but not the use by) any joint venture of the backbone assets utilized by the Company and the Restricted Subsidiaries and excluding any Subsidiary included in or owned by the Virgin Media Business division but not engaged in the business of that division.

“Capital Stock” of any Person means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) equity of such Person, including any Preferred Stock, but excluding any debt securities convertible into such equity.

“Capitalized Lease Obligation” means an obligation that is required to be classified and accounted for as a capitalized lease for financial reporting purposes in accordance with GAAP, and the amount of Indebtedness represented by such obligation shall be the capitalized amount of such obligation determined in accordance with GAAP; and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease, provided that, upon a change in generally accepted accounting principles eliminating the difference in treatment of operating leases and capital leases, “capital lease” shall be deemed to be a leasing arrangement where the net present value of the payments (using an interest rate determined with reference to yield to maturity in the trading markets for the issue at the date of the lease of VM FinanceCo’s unsecured senior notes with the longest maturity date at the date of the lease exceeds 90% of the fair value of the asset.

“Clearstream” means Clearstream Banking S.A.

“Code” means the U.S. Internal Revenue Code of 1986, as amended.

“Collateral” means all property and assets, whether now owned or hereafter acquired, in which Liens are, from time to time, purported to be granted to secure the Notes, the VM FinanceCo Guarantee, the Company Guarantee and the Subsidiary Guarantees pursuant to the Collateral Documents.

“Collateral Documents” means the mortgages, deeds of trust, deeds to secure debt, security agreements, security trust agreements, pledge agreements, agency agreements and other instruments and documents executed and delivered pursuant to the Indenture or any of the foregoing, as the same may be amended, supplemented or otherwise modified from time to time and pursuant to which Collateral is pledged, assigned or granted to or on behalf of the Security Trustee for the ratable benefit of the Holders and the Trustee or notice of such pledge, assignment or grant is given.

“Consolidated Interest Expense” means, for any period, the total interest expense of the Company and the Restricted Subsidiaries on a Consolidated basis including, without duplication:

(1) interest expense attributable to Purchase Money Indebtedness and Capitalized Lease Obligations and the interest expense attributable to leases constituting part of a Sale/Leaseback Transaction,

- (2) amortization of debt discount and debt issuance costs,
- (3) capitalized interest and interest paid in the form of additional Indebtedness,
- (4) cash or non-cash interest expense,
- (5) commissions, discounts and other fees and charges attributable to letters of credit and bankers' acceptance financing,
- (6) interest accruing on any Indebtedness of any other Person to the extent such Indebtedness is Guaranteed by, or secured by a Lien on the assets of, the Issuer or any Restricted Subsidiary,
- (7) net costs associated with Hedging Obligations (including amortization of fees),
- (8) dividends in respect of all Disqualified Stock of the Company and all Preferred Stock of any of the Subsidiaries of the Company, to the extent held by Persons other than the Issuer or a Wholly Owned Subsidiary of the Company,
- (9) interest Incurred in connection with Investments in discontinued operations and
- (10) the cash contributions to any employee share ownership plan or similar trust to the extent such contributions are used by such plan or trust to pay interest or fees to any Person (other than the Company) in connection with Indebtedness Incurred by such plan or trust.

“Consolidated Net Income” means, for any period, the Consolidated net income (loss) of the Company and the Restricted Subsidiaries for such period; *provided, however*, that there shall not be included in such Consolidated Net Income:

- (1) any net income (or loss) of any Person (other than the Company or a Restricted Subsidiary) if such Person is not a Subsidiary, or is an Unrestricted Subsidiary, except that, subject to the limitations contained in clause (4) below, the Company's or any Restricted Subsidiary's equity in the net income of any such Person for such period shall be included in such Consolidated Net Income up to the aggregate amount of cash or Temporary Cash Investments distributed by such Person during such period to the Company or a Restricted Subsidiary as a dividend or other similar distribution or return;
- (2) any net income (or loss) of any Restricted Subsidiary to the extent such Restricted Subsidiary is subject to restrictions, directly or indirectly, on the payment of dividends or the making of distributions by such Restricted Subsidiary, directly or indirectly, to the Issuer (other than any restriction permitted under clause (A), (C) (solely to the extent relating to clause (A)), (H) or (J) (to the extent that assets of the joint ventures subject to such restriction do not exceed 2.5% of Total Assets) of the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Restrictions on Distributions from Restricted Subsidiaries”), except that, subject to the limitations contained in clause (4) below, the Company's or any Restricted Subsidiary's equity in the net income of any such Restricted Subsidiary for such period shall be included in such Consolidated Net Income up to the aggregate amount of cash or Temporary Cash Investments distributed by such Restricted Subsidiary during such period to the Company or another Restricted Subsidiary as a dividend or other similar distribution;
- (3) any gain (or loss) realized upon the sale or other disposition of any asset of the Company or any Restricted Subsidiary (including pursuant to any Sale/Leaseback Transaction) and any gain (or loss) realized upon the sale or other disposition of any Capital Stock of any Person, in each case, that is not sold or otherwise disposed of in the ordinary course of business;
- (4) any item classified as a restructuring, extraordinary, unusual, non-recurring or other non-operating gain or loss, including the costs of, and accounting for, financial instruments;
- (5) any impairment loss of the Company or the Restricted Subsidiaries relating to goodwill or other intangible assets;

- (6) the cumulative effect of a change in accounting principles;
- (7) all deferred financing costs written off in connection with the early extinguishment of Indebtedness, net of taxes;
- (8) any foreign currency transaction or translation gains or losses, net of taxes; and
- (9) any premium, penalty or fee paid in relation to any repayment, prepayment, redemption or purchase of any Indebtedness.

Notwithstanding the foregoing, for the purpose of the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Restricted Payments” only, there shall be excluded from Consolidated Net Income any repurchases, repayments, redemptions or releases of Investments, proceeds realized on the sale or liquidation of Investments, and dividends, repayments of loans or advances or other transfers of assets from Unrestricted Subsidiaries to the Company or a Restricted Subsidiary to the extent such amounts increase the amount of Restricted Payments permitted under such covenant pursuant to clauses (C)(iv) of paragraph (a) thereof.

“Consolidation” means the consolidation of the accounts of each of the Restricted Subsidiaries (excluding the Affiliate Guarantors) with those of the Company in accordance with GAAP consistently applied and together with the accounts of the Affiliate Guarantors on a combined basis (including eliminations of intercompany transactions and balances, as appropriate); *provided, however*, that “Consolidation” will not include consolidation of the accounts of any Unrestricted Subsidiary, but the interest of the Company or any Restricted Subsidiary in an Unrestricted Subsidiary will be accounted for as an investment. The term “Consolidated” has a correlative meaning.

“Content” means any rights to broadcast, transmit, distribute or otherwise make available for viewing, exhibition or reception (whether in analogue or digital format and whether as a channel or an internet service, a teletext-type service, an interactive service, or an enhanced television service or any part of any of the foregoing, or on a pay-per-view basis, or near video-on-demand, or video-on-demand basis or otherwise) any one or more of audio and/or visual images, audio content, or interactive content (including hyperlinks, re-purposed web-site content, database content plus associated templates, formatting information and other data including any interactive applications or functionality), text, data, graphics, or other content, by means of any means of distribution, transmission or delivery system or technology (whether now known or herein after invented).

“Content Business” means the business of the Company and the Restricted Subsidiaries consisting of ownership or licensing of Content.

“Content Transaction” means any sale, transfer, demerger, contribution, spin-off or distribution of, any creation or participation in any joint venture and/or entering into any other transaction or taking any action with respect to, in each case, any assets, undertakings and/or businesses of the Company and the Restricted Subsidiaries which comprise all or part of the Content Business, to or with any other entity or person whether or not the Company or any of the Restricted Subsidiaries.

“Convertible Senior Notes” means the \$1,000,000,000 of 6.50% Convertible Senior Notes due 2016 issued pursuant to an indenture dated as of April 16, 2008 between the Parent and the Bank of New York, as trustee.

“Credit Facility” means any debt facility or commercial paper facility (including the Existing Credit Facility) or ancillary facility, in each case with a lender or a syndicate of commercial bank lenders or other financial institutions, providing for revolving credit loans, term loans, receivables financing or letters of credit, in each case, as amended, restated, refunded, renewed, replaced or Refinanced in whole or in part from time to time by a lender or a syndicate of commercial bank lenders or other financial institutions.

“Currency Agreement” means with respect to any Person any foreign exchange contract, currency swap agreements or other similar agreement or arrangement to which such Person is a party or of which it is a beneficiary.

“Default” means any event which is, or after notice or passage of time or both would be, an Event of Default.

“Definitive Note” means a registered note issued in certificated form pursuant to the Indenture.

“Designated Non-Cash Consideration” means the Fair Market Value of non-cash consideration received by the Company, the Issuer or any Restricted Subsidiary in connection with an Asset Disposition that is so designated pursuant to an Officer’s Certificate, setting forth the basis of such valuation. The aggregate Fair Market Value of the Designated Non-Cash Consideration, taken together with the Fair Market Value at the time of receipt of all other Designated Non-Cash Consideration then held by the Company, the Issuer or any Restricted Subsidiary, may not exceed the greater of (x) £250 million in the aggregate or (y) 1.00% of Total Assets, at the time of the receipt of the Designated Non-Cash Consideration (with the Fair Market Value being measured at the time received and without giving effect to subsequent changes in value).

“Disqualified Stock” means, with respect to any Person, any Capital Stock which by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable or exercisable) or upon the happening of any event:

(1) matures or is mandatorily redeemable (other than redeemable only for Capital Stock of such Person that is not itself Disqualified Stock) pursuant to a sinking fund obligation or otherwise;

(2) is convertible or exchangeable for Indebtedness or Disqualified Stock (excluding Capital Stock convertible or exchangeable solely at the option of the Company or a Restricted Subsidiary; *provided, however*, that any such conversion or exchange shall be deemed an Incurrence of Indebtedness or Disqualified Stock, as applicable); or

(3) is redeemable or may become (in accordance with its terms) upon the occurrence of certain events or otherwise redeemable or repurchasable at the option of the holder thereof, in whole or in part,

in the case of each of clauses (1), (2) and (3), on or prior to 180 days following the Stated Maturity of the Notes; *provided, however*, that any Capital Stock that would not constitute Disqualified Stock but for provisions thereof giving holders thereof the right to require such Person to repurchase or redeem such Capital Stock upon the occurrence of an “asset sale” or “change of control” occurring prior to 180 days following the Stated Maturity of the Notes shall not constitute Disqualified Stock if the “asset sale” or “change of control” provisions applicable to such Capital Stock are not more favorable to the holders of such Capital Stock than the provisions of the covenants described under “—Repurchase at the Option of the Holders—Change of Control” and “—Certain Covenants—During the Reinstatement Period—Limitation on Sales of Assets and Subsidiary Stock.”

“Dollar Equivalent” means with respect to any monetary amount in pounds sterling, at any time for the determination thereof, the amount of U.S. Dollars obtained by converting the pounds sterling involved in such computation into U.S. Dollars at the spot rate for the purchase of U.S. Dollars with pounds sterling as published by Bloomberg on the date two Business Days prior to such determination.

“Dollar Notes” means the U.S. dollar denominated 5.25% Senior Secured Notes due 2021 of the Issuer.

“EBITDA” for any period means the Consolidated Net Income for such period plus, without duplication, the following to the extent deducted in calculating such Consolidated Net Income of the Company and the Restricted Subsidiaries:

(1) income tax expense;

(2) Consolidated Interest Expense;

(3) depreciation expense;

(4) amortization expense (excluding amortization expense attributable to a prepaid cash item that was paid in a prior period);

(5) all other non-cash charges (excluding any such non-cash charge to the extent it represents an accrual of or reserve for cash expenditures in any future period) less all non-cash items of income (excluding any such non-cash item of income to the extent it will result in receipt of cash payments in any future period);

(6) other cash charges for professional fees and services incurred in connection with the planning, negotiating, documenting or other activities related to a proposed financing, acquisition or disposition transaction involving a Permitted Business if such transaction is abandoned;

(7) the amount of minority interest expense deducted in calculating Consolidated Net Income;

(8) the amount of any restructuring charge deducted for such period in calculating Consolidated Net Income;

(9) recapitalization items, net;

(10) share of income or loss on equity Investments; and

(11) asset impairments,

in each case for such period.

Notwithstanding the foregoing, the provision for taxes based on the income or profits of, and the depreciation and amortization and non-cash charges of, a Restricted Subsidiary shall be added to Consolidated Net Income to compute EBITDA only to the extent (and in the same proportion) that the net income of such Restricted Subsidiary was included in calculating Consolidated Net Income and, except for Affiliate Guarantors, only to the extent that a corresponding amount would be permitted at the date of determination to be dividended or distributed, directly or indirectly, to the Company by such Restricted Subsidiary without breaching or violating a restriction, directly or indirectly, applicable to such Restricted Subsidiary (disregarding for this purpose any restriction permitted under clause (A), (C) (solely to the extent relating to clause (A)) or (H) of the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Restrictions on Distributions from Restricted Subsidiaries”).

“Enforcement Control Event” shall have the meaning ascribed thereto in the Group Intercreditor Deed.

“Euroclear” means Euroclear Bank S.A./N.V.

“Exchange Act” means the U.S. Securities Exchange Act of 1934, as amended.

“Exchange Notes” means any notes issued in exchange for the Notes pursuant to the Registration Rights Agreement or similar agreement.

“Excluded Assets” means any of the following:

- (1) any Rule 3-16 Excluded Collateral;
- (2) any assets securing Purchase Money Indebtedness and Capitalized Lease Obligations;
- (3) any assets secured pursuant to clauses (9), (10), (13) (with respect to clauses (9) and (10) only), (17), (20) or (21) of the definition of “Permitted Liens;”
- (4) any interest in any Excluded Subsidiary, any non-recourse special purpose vehicles or any joint venture; and

- (5) any assets that are expressly excluded from the collateral securing the Existing Credit Facility or any Pari Passu Lien Obligations outstanding from time to time.

“Excluded Subsidiary” means:

- (1) any Subsidiary of the Company which is a dormant subsidiary;
- (2) Flextech Interactive Limited;
- (3) Fawnspring Limited; and
- (4) NTL South Herts and its Subsidiaries, until such time as NTL South Herts becomes a wholly-owned Subsidiary of the Company.

“Existing Credit Facility” means the Senior Facilities Agreement dated March 16, 2010 between Virgin Media Inc. as Ultimate Parent and the other parties thereto, as the same may be amended, modified, supplemented, extended or replaced from time to time, in each case in accordance with the terms of the Indenture.

“Existing Notes” means (i) the \$550 million 9.125% Senior Notes due 2016 issued by VM FinanceCo pursuant to the 2006 Indenture, (ii) the \$1.35 billion of 9.50% Senior Notes due 2016 and the €180 million of 9.50% Senior Notes due 2016 issued by VM FinanceCo pursuant to the June 2009 Indenture, and (iii) the \$600 million of 8.375% Senior Notes due 2019 and the £350 million of 8.875% Senior Notes due 2019 issued by VM FinanceCo pursuant to the November 2009 Indenture.

“Existing Senior Secured Notes” means the \$1 billion of 6.50% Senior Secured Notes due 2018 and the £875 million of 7.00% Senior Secured Notes due 2018 pursuant to the 2010 Indenture.

“Fair Market Value” means, with respect to any asset or Property, the price which could be negotiated in an arm’s length transaction between a willing seller and a willing buyer, neither of whom is under undue pressure or compulsion to complete the transaction.

“Fawnspring Limited” refers to ntl Fawnspring Limited a private limited company incorporated under the laws of England and Wales.

“Fitch” means Fitch Ratings or any successor to its rating business.

“Flextech Interactive Limited” refers to Flextech Interactive Limited a private limited company incorporated under the laws of England and Wales.

“GAAP” means generally accepted accounting principles in the United States of America as in effect as of the Closing Date. All ratios and computations based on GAAP contained in the Indenture shall be computed in conformity with GAAP as in effect at the Closing Date.

“Gilt Rate” means, as of any redemption date, the yield to maturity as of such redemption date of UK Government Obligations with a fixed maturity (as compiled by the Office for National Statistics and published in the most recent Financial Statistics that have become publicly available at least two Business Days in London prior to such redemption date (or, if such Financial Statistics are no longer published, any publicly available source of similar market data selected by the Company in good faith)) most nearly equal to the period from such redemption date to January 15, 2021; *provided, however*, that if the period from such redemption date to January 15, 2021 is not equal to the fixed maturity of UK Government Obligations for which a yield is given, the Gilt Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the yields of UK Government Obligations for which such yields are given, except that if the period from such redemption date to January 15, 2021 is less than one year, the weekly average yield on actually traded UK Government Obligations denominated in sterling adjusted to a fixed maturity of one year shall be used.

“Group Intercreditor Deed” means the Group Intercreditor Deed originally entered into on March 3, 2006 and as amended from time to time, between Deutsche Bank AG London Branch as Facility Agent and Security

Trustee, the Original Borrowers, the Original Guarantors, the Senior Lenders, the Lessors, the Lessees, the Hedge Counterparties, the Lessor's Agent, the Intergroup Debtors and the Intergroup Creditors (each as defined therein) as the same may be amended, modified, supplemented, extended or replaced from time to time.

"Guarantee" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness or other obligation of any other Person and any obligation, direct or indirect, contingent or otherwise, of such Person:

(1) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation of such other Person (whether arising by virtue of partnership arrangements, or by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise); or

(2) entered into for purposes of assuring in any other manner the obligee of such Indebtedness or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part);

provided, however, that the term "Guarantee" shall not include (i) endorsements for collection or deposit in the ordinary course of business or (ii) a contractual commitment by a Person to make an Investment in another Person so long as such Investment is reasonably expected to constitute a Permitted Investment under clause (1) or (2) of the definition of "Permitted Investment." The term "Guarantee" used as a verb has a corresponding meaning. The term "Guarantor" shall mean any Person Guaranteeing any obligation.

"Hedging Obligations" of any Person means the obligations of such Person pursuant to any Interest Rate Agreement or any Currency Agreement.

"High Yield Intercreditor Deed" means the High Yield Intercreditor Deed first entered into among the Issuer, the Company, Credit Suisse First Boston, The Bank of New York and the senior lenders party thereto, on April 13, 2004, as the same may be amended, modified, supplemented, extended or replaced from time to time, in each case in accordance with the terms of the Indenture, including by the accession of the Trustee thereto.

"Holder" means each Person in whose name the Notes are registered on the Registrar's books.

"Incur" means issue, assume, Guarantee, incur or otherwise become liable for; *provided, however*, that any Indebtedness or Capital Stock of a Person existing at the time such Person becomes a Subsidiary (whether by merger, consolidation, acquisition or otherwise) shall be deemed to be Incurred by such Person at the time it becomes a Subsidiary. The term "Incurrence" when used as a noun shall have a correlative meaning.

Solely for purposes of determining compliance with the covenant described under "—Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness," the following will not be deemed to be the Incurrence of Indebtedness: (1) amortization of debt discount or the accretion of principal with respect to a non-interest bearing or other discount security; (2) the payment of regularly scheduled interest in the form of additional Indebtedness of the same instrument or the payment of regularly scheduled dividends on Capital Stock in the form of additional Capital Stock of the same class and with the same terms; (3) the obligation to pay a premium in respect of Indebtedness arising in connection with the issuance of a notice of redemption or the making of a mandatory offer to purchase such Indebtedness; and (4) a change in GAAP that results in an obligation of such Person that exists at such time, and is not theretofore classified as Indebtedness, becoming Indebtedness.

"Indebtedness" means, with respect to any Person on any date of determination, without duplication:

(1) the principal of and premium (if any) in respect of indebtedness of such Person for borrowed money;

(2) the principal of and premium (if any) in respect of obligations of such Person evidenced by bonds, debentures, notes or other similar instruments (other than loan notes or similar instruments issued solely by way of consideration for the acquisition of assets in order to defer capital gains or equivalent taxes where such loan notes or similar instruments are not issued for the purpose of financing but are issued for tax purposes);

(3) all obligations of such Person in respect of letters of credit, bankers' acceptances or other similar instruments (including reimbursement obligations with respect thereto), other than reimbursement obligations with respect to letters of credit securing obligations (other than obligations described in (1), (2) and (5) of this definition) entered into in the ordinary course of business of such Person to the extent such letters of credit are not drawn upon or, if and to the extent drawn upon such drawing is reimbursed no later than the fifth Business Day following receipt by such Person of a demand for reimbursement following payment of the letter of credit;

(4) all obligations of such Person to pay the deferred and unpaid purchase price of Property or services (except Trade Payables), which purchase price is due more than six months after the date of placing such Property in service or taking delivery and title thereto or the completion of such services and whose primary purpose is for financing;

(5) all Capitalized Lease Obligations and all Attributable Debt of such Person;

(6) the amount of all obligations of such Person with respect to the redemption, repayment or other repurchase of any Disqualified Stock or, with respect to any Subsidiary of such Person, any Preferred Stock (but excluding, in each case, any accrued dividends);

(7) all obligations referred to in other clauses of this definition of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; provided, however, that the amount of Indebtedness of such Person shall be the lesser of: (A) the Fair Market Value of such asset at such date of determination and (B) the amount of such Indebtedness of such other Persons;

(8) Hedging Obligations of such Person; and

(9) all obligations of the type referred to in clauses (1) through (8) of other Persons and all dividends of other Persons for the payment of which, in either case, such Person is responsible or liable, directly or indirectly, as obligor, guarantor or otherwise, including by means of any Guarantee.

The amount of Indebtedness of any Person at any date shall be the outstanding balance at such date of all unconditional obligations as described above and the maximum liability, upon the occurrence of the contingency giving rise to the obligation, of any contingent obligations at such date as determined in accordance with GAAP. The amount of Indebtedness under Hedging Obligations of a Person will be calculated by reference to the net liability of such Person thereunder (as determined in accordance with GAAP as of the date of the most recent financial statements distributed to Holders under the covenant described under "—Certain Covenants—During the Suspension Period—Ongoing Reporting").

"Independent Financial Advisor" means an investment banking, financial advisory, valuation or accounting firm of international standing or any third-party appraiser of international standing; provided that such firm or appraiser is not an Affiliate of the Company.

"Initial Purchasers" means the initial purchasers party to the purchase agreement entered into in connection with the offer and sale of the Notes on the Closing Date and any similar purchase agreement in connection with any Additional Notes.

"Intercreditor Deeds" means the High Yield Intercreditor Deed and the Group Intercreditor Deed.

"Interest Rate Agreement" means with respect to any Person any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement or other similar agreement or arrangement to which such Person is party or of which it is a beneficiary.

"Intra-Group Services" means:

(1) the sale of programming or other Content by the Parent or any of its Subsidiaries to the Company or any Restricted Subsidiary on arm's length terms;

(2) the lease or sublease of office space, other premises or equipment on arm's length terms by the Company or the Restricted Subsidiaries to the Parent or any of its Subsidiaries or by the Parent or any of its Subsidiaries to the Company or the Restricted Subsidiaries;

(3) the provision or receipt of other services, facilities or other arrangements (in each case not constituting Indebtedness) in the ordinary course of business, by the Company or the Restricted Subsidiaries to or from the Parent or any of its Subsidiaries including, without limitation, (i) the employment of personnel, (ii) provision of employee healthcare or other benefits, (iii) acting as agent to buy equipment, other assets or services or to trade with residential or business customers, and (iv) the provision of audit, accounting, banking, IT, telephony, office, administrative, compliance, payroll or other similar services provided that the consideration for the provision thereof is, in the reasonable opinion of the Company, no less than Cost; and

(4) the extension, in the ordinary course of business and on terms no less favourable to the Company or the Restricted Subsidiaries than arm's length terms, by or to the Company or the Restricted Subsidiaries to or by the Parent or any of its Subsidiaries of trade credit not constituting Financial Indebtedness in relation to the provision or receipt of Intra-Group Services referred to in paragraphs (1), (2) or (3) above.

"Investment" in any Person means any direct or indirect advance, loan (other than advances to customers in the ordinary course of business that are of a type that will be recorded as accounts receivable on the balance sheet of the lender) or other extension of credit (including by way of Guarantee or similar arrangement) or capital contribution to (including by means of any transfer of cash or other Property to others or any payment for Property or services for the account or use of others), or any purchase or acquisition of Capital Stock, Indebtedness or other similar instruments issued by such Person, or any prepayment, repayment, repurchase, redemption, retirement, refinancing or defeasance of Indebtedness of such Person, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. For purposes of the covenants described under "—Certain Covenants—During the Suspension Period—Designation of Restricted and Unrestricted Subsidiaries," and "—Certain Covenants—During the Reinstatement Period—Limitation on Restricted Payments:"

(1) Investment shall include the portion (proportionate to the Company's or a Restricted Subsidiary's equity interest in such Subsidiary) of the Fair Market Value of the net assets of any Subsidiary of the Company or any Restricted Subsidiary at the time that such Subsidiary is designated an Unrestricted Subsidiary; provided, however, that upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Company or Restricted Subsidiary, as applicable, shall be deemed to continue to have a permanent Investment in an Unrestricted Subsidiary in an amount (if positive) equal to:

(A) the Company's or Restricted Subsidiary's Investment in such Subsidiary at the time of such redesignation, less

(B) the portion (proportionate to the Company's or a Restricted Subsidiary's equity interest in such Subsidiary) of the Fair Market Value of the net assets of such Subsidiary at the time of such redesignation; and

(2) any Property transferred to or from an Unrestricted Subsidiary shall be valued at its Fair Market Value at the time of such transfer.

"Investment Grade Rating" means a rating equal to or higher than BBB- (or the equivalent) by Fitch, Baa3 (or the equivalent) by Moody's, BBB- (or the equivalent) by S&P, or an equivalent rating by any other Rating Agency.

"June 2009 Indenture" means the indenture dated as of June 3, 2009 between the Issuer, Virgin Media Inc., Virgin Media Group LLC, Virgin Media Holdings Inc., Virgin Media (UK) Group, Inc., Virgin Media Communications Limited, Virgin Media Investment Holdings Limited, The Bank of New York Mellon as trustee and paying agent and The Bank of New York Mellon (Luxembourg) S.A. as Luxembourg paying agent.

“Leverage Ratio” means the ratio of:

(1) the outstanding Indebtedness of the Company and the Restricted Subsidiaries on a Consolidated basis, to

(2) the Pro Forma EBITDA.

“Lien” means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including any conditional sale or other title retention agreement or lease in the nature thereof).

“Member State” means any country that was a member of the European Union as of July 25, 2006.

“Merger Date” means March 3, 2006.

“Moody’s” means Moody’s Investors Service, Inc. or any successor to its rating business.

“Net Available Cash” from an Asset Disposition means cash payments received (including, only when and as received, any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise and proceeds from the sale or other disposition of any securities received as consideration, but excluding any other consideration received in the form of assumption by the acquiring Person of Indebtedness or other obligations relating to the properties or assets that are the subject of such Asset Disposition or received in any other non-cash form) therefrom, in each case net of:

(1) all legal, accounting and investment banking fees and expenses, title and recording tax expenses, commissions and other fees and expenses incurred, and all national, regional, state, provincial, foreign and local taxes required to be paid as a consequence of such Asset Disposition,

(2) all payments made on any Indebtedness which is secured by any assets subject to such Asset Disposition, in accordance with the terms of any Lien upon or other security agreement of any kind with respect to such assets, or which must by its terms, or in order to obtain a necessary consent to such Asset Disposition, or by applicable law be repaid out of the proceeds from such Asset Disposition,

(3) all distributions and other payments required to be made to minority interest holders in Subsidiaries or joint ventures as a result of such Asset Disposition, and

(4) appropriate cash amounts to be provided by the seller as a reserve, in accordance with GAAP, against any liabilities associated with the Property or other assets disposed of in such Asset Disposition and retained by the Company, the Issuer or any Restricted Subsidiary after such Asset Disposition.

“Net Cash Proceeds,” with respect to any issuance or sale of Capital Stock, means the cash proceeds of such issuance or sale net of attorneys’ fees, accountants’ fees, underwriters’ or placement agents’ fees, discounts or commissions and brokerage, consultant and other fees actually incurred in connection with such issuance or sale and net of taxes paid or payable as a result thereof.

“Non-Recourse Debt” means Indebtedness:

(1) as to which neither the Company, the Issuer nor any other Restricted Subsidiary (a) provides any Guarantee or credit support of any kind (including any undertaking, Guarantee, indemnity, agreement or instrument that would constitute Indebtedness) or (b) is directly or indirectly liable (as a guarantor or otherwise);

(2) no default with respect to which (including any rights that the holders thereof may have to take enforcement action against an Unrestricted Subsidiary) would permit (upon notice, lapse of time or both) any holder of any other Indebtedness of the Company, the Issuer or any other Restricted Subsidiary to declare a default under such other Indebtedness or cause the payment thereof to be accelerated or payable prior to its stated maturity; and

(3) the explicit terms of which provide there is no recourse against any of the assets of the Company, the Issuer or any other Restricted Subsidiary.

“November 2009 Indenture” means the indenture dated as of November 9, 2009 between the Issuer, Virgin Media Inc., Virgin Media Group LLC, Virgin Media Holdings Inc., Virgin Media (UK) Group, Inc., Virgin Media Communications Limited, Virgin Media Investment Holdings Limited, The Bank of New York Mellon as trustee and paying agent and The Bank of New York Mellon (Luxembourg) S.A. as Luxembourg paying agent.

“Ntl South Herts” refers to ntl (South Hertfordshire) Limited a private limited company incorporated under the laws of England and Wales.

“Officer” of a Person means the Chairman of the Board, the Chief Executive Officer, the Chief Financial Officer, Deputy Chief Financial Officer, the President, any Vice President, the Treasurer, Assistant Treasurer, the Secretary or Assistant Secretary, or any Director.

“Officer’s Certificate” means a certificate signed by an Officer.

“Opinion of Counsel” means a written opinion from legal counsel of recognized standing in a form reasonably satisfactory to the addressee of such opinion. The counsel may be an employee of or counsel to the Issuer or the Trustee.

“Pari Passu Lien Obligations” means any Additional Notes and any other Indebtedness that has Pari Passu Lien Priority relative to the Notes with respect to the Collateral.

“Pari Passu Lien Priority” means, relative to specified Indebtedness and other obligations, having equal or substantially equal Lien priority to the Notes and the Note Guarantees, as the case may be, on the Collateral (taking into account any intercreditor agreements).

“Permitted Business” means any business engaged in by the Company, the Issuer or any other Restricted Subsidiary on the Closing Date and any Related Business.

“Permitted Investment” means an Investment by the Company, the Issuer or any other Restricted Subsidiary in:

- (1) the Company, any Restricted Subsidiary or a Person that will, upon the making of such Investment, become a Restricted Subsidiary;
- (2) another Person if as a result of such Investment such other Person is merged or consolidated with or into, or transfers or conveys all or substantially all its assets to, the Company or any Restricted Subsidiary;
- (3) cash and Temporary Cash Investments;
- (4) receivables owing to the Company, the Issuer or any other Restricted Subsidiary if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms; *provided, however*, that such trade terms may include such concessionary trade terms as the Company, the Issuer or any such Restricted Subsidiary deems reasonable under the circumstances;
- (5) payroll, travel and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses for accounting purposes and that are made in the ordinary course of business;
- (6) loans, advances or Guarantees of loans or advances to employees (including for relocation) made in the ordinary course of business of the Company or such Restricted Subsidiary and not exceeding £5 million in the aggregate outstanding at any one time;
- (7) shares, obligations or securities received in settlement of debts created in the ordinary course of business and owing to the Company, the Issuer or any other Restricted Subsidiary or in satisfaction of judgments;

(8) any Person to the extent such Investment represents the non-cash portion of the consideration received for an Asset Disposition that was made pursuant to and in compliance with the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Sales of Assets and Subsidiary Stock;”

(9) any Person, if such Investment is in existence on the Closing Date and any Investment in any Person to the extent such Investment Refinances an Investment in such Person existing on the Closing Date in an amount not exceeding the amount of the Investment being Refinanced; provided, however, that such new Investment is on terms and conditions no less favorable to the Company, the Issuer or any other Restricted Subsidiary than the Investment being Refinanced;

(10) Guarantees permitted to be Incurred by the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness;”

(11) loans granted as a result of a subscriber being allowed terms, in the ordinary course of trade, whereby it does not have to pay for services provided to it for a period of time after the provision of such services;

(12) the BBC Guarantees;

(13) lease, utility and workers’ compensation, performance and other similar deposits made in the ordinary course of business;

(14) Hedging Obligations permitted under the Indenture;

(15) repurchases of the Notes;

(16) Investments resulting from the disposition of assets in transactions excluded from the definition of “Asset Disposition” pursuant to the exclusions from such definition;

(17) any Person where such Investment was acquired by the Company, the Issuer or any other Restricted Subsidiary (i) in exchange for any other Investment or accounts receivable held by the Company, the Issuer or any such Restricted Subsidiary in connection with or as a result of a bankruptcy, workout, reorganization or recapitalization of the Issuer of such other Investment or accounts receivable or (ii) as a result of a foreclosure by the Company, the Issuer or any such Restricted Subsidiary with respect to any secured Investment or other transfer of title with respect to any secured Investment in default;

(18) any Receivables Subsidiary organized in connection with a Qualified Receivables Transaction that, in the good faith determination of the Company, are necessary or advisable to effect such Qualified Receivables Transaction; and

(19) any Person; *provided, however*, that such Investment (having a Fair Market Value measured on the date such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (19) since the Closing Date, shall not exceed at the time the Investment is made the greater of (a) 2.0% of Total Assets or (b) £100 million; *provided, further, however*, that Investments made in any Unrestricted Subsidiary pursuant to this clause (19) shall not increase the amount of Restricted Payments permitted to be made under the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Restricted Payments” upon any redesignation of any such Unrestricted Subsidiary as a Restricted Subsidiary.

“Permitted Joint Ventures” means one or more joint ventures formed by (i) the contribution of all or any part of the Content Business to a joint venture formed by the Company or any of the Restricted Subsidiaries with one or more joint venturers; and (ii) the contribution of some or all of the assets of the Virgin Media Business division pursuant to a Business Division Transaction to a joint venture formed by the Company or any of the Restricted Subsidiaries with one or more joint venturers.

“Permitted Liens” means, with respect to any Person:

(1) pledges or deposits by such Person under worker’s compensation laws, unemployment insurance laws or similar legislation, or good faith deposits in connection with bids, tenders, contracts (other than for the payment of Indebtedness) or leases to which such Person is a party, or deposits to secure public or statutory obligations of such Person or deposits of cash or Temporary Cash Investments to secure surety or appeal bonds to which such Person is a party, or deposits as security for contested taxes or customs duties in connection with the importation of goods or for the payment of rent, in each case Incurred in the ordinary course of business;

(2) Liens imposed by law, such as statutory Liens for landlords and carriers’, warehousemen’s and mechanics’ Liens, in each case for sums not yet delinquent or being contested in good faith or other Liens arising out of judgments or awards against such Person with respect to which such Person shall then be proceeding with an appeal or other proceedings for review;

(3) Liens for taxes, assessments or government charges or claims not yet due or payable or subject to penalties for non-payment or which are being contested in good faith;

(4) Liens in favor of issuers of surety bonds, performance bonds or letters of credit, bankers’ acceptances or other obligations of a like nature provided by the Company or a Restricted Subsidiary in the ordinary course of business;

(5) survey exceptions, encumbrances, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, utility agreements, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property or Liens incidental to the conduct of the business of such Person or to the ownership of its properties which were not Incurred in connection with Indebtedness and which do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(6) Liens securing Purchase Money Indebtedness and Capitalized Lease Obligations Incurred to finance the construction, purchase or lease of, or repairs, improvements or additions to, assets or Property of such Person; *provided, however*, that the Lien may not extend to any other assets or Property owned by such Person or any of its Subsidiaries at the time the Lien is Incurred, and the original principal amount of the Indebtedness secured by the Lien may not be Incurred more than 180 days after the later of the acquisition, completion of construction, repair, improvement, addition or commencement of full operation of the Property subject to the Lien;

(7)(i) Liens to secure Bank Indebtedness or any Pari Passu Lien Obligation Incurred pursuant to clause (1) of paragraph (b) of the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness” and (ii) Liens to secure Indebtedness Incurred pursuant to clauses (a), (b)(4) (to the extent relating to Indebtedness incurred under clause (a)) or (b)(16) of the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness;” *provided* that any such Indebtedness shall have Pari Passu Lien Priority or junior lien priority relative to the Notes and the Guarantees and the lenders or holders of such Indebtedness or their representative shall have acceded to the Intercreditor Deeds, as applicable, and *provided further*, in the case of clause (ii) only, that at the time of Incurrence of such Liens and after giving effect thereto, such Incurrence would not, on a pro forma basis, cause the ratio of (1) the outstanding Indebtedness of the Company and the Restricted Subsidiaries representing the Notes, the Existing Credit Facility and other Pari Passu Lien Obligations to (2) the Pro Forma EBITDA, to exceed 3.75:1.0;

(8) Liens existing on the Closing Date (excluding Liens referred to in clause (7));

(9) Liens on Property or shares of another Person at the time such other Person becomes a Subsidiary of such Person; *provided, however*, that such Liens are not created, Incurred or assumed in connection with, or in contemplation of, such other Person becoming such a Subsidiary; *provided further, however*, that such Liens do not extend to any other Property owned by such Person or any of its Subsidiaries unless otherwise permitted hereunder;

(10) Liens on Property at the time such Person or any of its Subsidiaries acquires the Property, including any acquisition by means of a merger or consolidation with or into such Person or any Subsidiary of such Person; *provided, however*, that such Liens are not created, Incurred or assumed in connection with, or in contemplation of, such acquisition; *provided further, however*, that the Liens do not extend to any other Property owned by such Person or any of its Subsidiaries unless otherwise permitted hereunder;

(11) Liens securing Indebtedness or other obligations of a Subsidiary of such Person owing to the Company, a Restricted Subsidiary or the Issuer (other than Indebtedness or other obligations owing by the Issuer or a Note Guarantor to a Subsidiary that is not a Note Guarantor);

(12) Liens securing Hedging Obligations permitted to be Incurred under the Indenture so long as such obligations relate to Indebtedness that is, and is permitted under the Indenture to be, secured by a Lien on the same Property securing such obligations or cash collateral or customary Liens Incurred in connection with Hedging Obligations;

(13) Liens to secure any Refinancing (or successive Refinancings) as a whole, or in part, of any Indebtedness secured by any Lien referred to in the foregoing clauses (6), (8), (9) and (10); *provided, however*, that:

(A) such new Lien shall be limited to all or part of the same Property that secured the original Lien (plus improvements to or on such Property) and

(B) the Indebtedness secured by such Lien at such time is not increased to any amount greater than the sum of:

(i) the outstanding principal amount or, if greater, committed amount of the Indebtedness secured by Liens described under clause (6), (8), (9) or (10) at the time the original Lien became a Permitted Lien under the Indenture and

(ii) an amount necessary to pay any fees and expenses, including premiums, related to such Refinancings;

(14) Liens securing the Notes, the Company Guarantee and the Subsidiary Guarantees and other obligations of the Company and any Restricted Subsidiaries under the Indenture;

(15) Liens of a Restricted Subsidiary that is not the Issuer or a Note Guarantor securing Indebtedness of a Restricted Subsidiary that is not the Issuer or a Note Guarantor;

(16) Liens in favor of the Issuer, the Company or a Subsidiary Guarantor;

(17) Liens to secure Receivables and Related Assets as part of a Qualified Receivables Transaction;

(18) Liens arising by virtue of any statutory or common law provisions (or by agreement to the same effect) relating to banker's Liens, contractual rights of set-off or similar rights and remedies as to deposit accounts or other funds maintained with a depository or financial institution;

(19) Liens arising from U.S. Uniform Commercial Code financing statement filings (or similar filings in other applicable jurisdictions) regarding operating leases entered into by the Person in the ordinary course of business;

(20) Liens in connection with any Sale/Leaseback Transaction permitted pursuant to the covenant described under “—Certain Covenants—During the Reinstatement Period—Limitation on Sale/Leaseback Transactions;”

(21) Liens Incurred in the ordinary course of business of the Issuer, the Company or any Restricted Subsidiary with respect to obligations (other than Indebtedness for borrowed money) that do not exceed £50 million at any time outstanding;

(22) Liens securing Indebtedness of the Issuer, the Company or any Restricted Subsidiary, and any renewals, extensions, subsidiaries, refinancing or replacements of such Indebtedness, so long as the aggregate principal amount of all such Indebtedness does not exceed 2% of Total Assets on the date of any such incurrence; and

(23) any Liens in respect of the ownership interests in, or assets owned by, any joint ventures securing obligations of such joint ventures.

“Person” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

“Preferred Stock,” as applied to the Capital Stock of any Person, means Capital Stock of any class or classes (however designated) that is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person.

“principal” of a Note means the principal of the Note plus the premium, if any, payable on the Note which is due or overdue or is to become due at the relevant time.

“Pro Forma EBITDA” means, for any period, the EBITDA of the Company and the Restricted Subsidiaries, after giving effect to the following:

if:

(1) since the beginning of such period, the Company or any Restricted Subsidiary shall have made any Asset Disposition or an Investment (by merger or otherwise) in any Restricted Subsidiary (or any Person that becomes a Restricted Subsidiary) or an acquisition;

(2) the transaction giving rise to the need to calculate Pro Forma EBITDA is such an Asset Disposition, Investment or acquisition; or

(3) since the beginning of such period any Person that subsequently became a Restricted Subsidiary or was merged with or into the Company or any Restricted Subsidiary since the beginning of such period shall have made such an Asset Disposition, Investment or acquisition, EBITDA for such period shall be calculated in good faith by a responsible financial or accounting officer of the Company after giving pro forma effect to such Asset Disposition, Investment or acquisition as if such Asset Disposition (and the application of the proceeds therefrom), Investment or acquisition occurred on the first day of such period.

“Property” means, with respect to any Person, any interest of such Person in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, including Capital Stock in, and other securities of, any other Person.

“Public Debt” means any Indebtedness consisting of bonds, debentures, notes or other similar debt securities issued in (1) a public offering registered under the Securities Act or (2) a private placement to institutional investors that is underwritten for resale in accordance with Rule 144A or Regulation S under the Securities Act, whether or not it includes registration rights entitling the holders of such debt securities to registration thereof with the SEC for public resale. The term “Public Debt,” for the avoidance of doubt, shall not be construed to include any Indebtedness issued to institutional investors in a direct placement of such Indebtedness that is not underwritten by an intermediary (it being understood that, without limiting the foregoing, a financing that is distributed to not more than ten Persons (provided that multiple managed accounts and Affiliates of any such Persons shall be treated as one Person for the purposes of this definition) shall not be deemed underwritten), or any Bank Indebtedness under any Credit Facility (including any such Bank Indebtedness under any such Credit Facility that is provided by a lender which finances its ability to provide such Indebtedness through the incurrence of Public Debt), Capitalized Lease Obligation or recourse transfer of any financial asset or any other type of Indebtedness Incurred in a manner not customarily viewed as a “securities offering”).

“Purchase Money Indebtedness” means Indebtedness:

(1) consisting of the deferred purchase price of an asset, conditional sale obligations, obligations under any title retention agreement and other purchase money obligations, in each case where the maturity of such Indebtedness does not exceed the anticipated useful life of the asset being financed, and

(2) Incurred to finance the acquisition by the Company or a Restricted Subsidiary of such asset, including additions and improvements;

provided, however, that the original principal amount of such Indebtedness is Incurred within 180 days after the acquisition by the Company or such Restricted Subsidiary of such asset.

“Qualified Receivables Transaction” means any transaction or series of transactions that may be entered into by the Company, the Issuer or any other Restricted Subsidiary pursuant to which the Company, the Issuer or any other Restricted Subsidiary may sell, convey or otherwise transfer to:

(1) a Receivables Subsidiary (in the case of a transfer by the Company, the Issuer or any other Restricted Subsidiary); and

(2) any other Person (in the case of a transfer by a Receivables Subsidiary), or may grant a security interest in, any Receivables and Related Assets.

“Rating Agency” means each of Fitch, Moody’s and S&P, or if none of Fitch, Moody’s or S&P, shall make a rating on the Notes publicly available, a nationally recognized statistical rating agency or agencies, as the case may be, selected by the Issuer (as certified by a resolution of its Board of Directors), shall be substituted for Fitch, Moody’s or S&P, as the case may be.

“Receivables and Related Assets” means accounts receivable, instruments, chattel paper, obligations, general intangibles and other similar assets, including interests in merchandise or goods, the sale or lease of which give rise to the foregoing, related contractual rights, Guarantees, insurance proceeds, collections, other related assets and assets that are customarily transferred, or in respect of which security interests are customarily granted, in connection with asset securitization transactions involving accounts receivable, and proceeds of all the foregoing.

“Receivables Fees” means distributions or payments made directly or by means of discounts with respect to any participation interest issued or sold in connection with, and other fees paid to a Person that is not a Restricted Subsidiary in connection with, any Qualified Receivables Transaction.

“Receivables Subsidiary” means a Subsidiary of the Company that engages in no activities other than in connection with the financing of accounts receivable and that is designated by the Board of Directors (as provided below) as a Receivables Subsidiary and:

(1) has no Indebtedness or other Obligation (contingent or otherwise) that:

(A) are guaranteed by the Company, the Issuer or any Restricted Subsidiary, other than contingent liabilities pursuant to Standard Securitization Undertakings;

(B) are recourse to or obligate the Company or any Restricted Subsidiary in any way other than pursuant to Standard Securitization Undertakings; or

(C) subjects any Property or assets of the Company or any Restricted Subsidiary, directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings;

(2) has no contract, agreement, arrangement or undertaking (except in connection with a Qualified Receivables Transaction) with the Company or any Restricted Subsidiary other than on terms no less favorable to the Company or such Restricted Subsidiary than those that might be obtained at the time from

Persons that are not Affiliates of the Issuer, other than fees payable in the ordinary course of business in connection with servicing accounts receivables; and

(3) neither the Company nor any Restricted Subsidiary has any obligation to maintain or preserve such Receivables Subsidiary's financial condition or cause such Receivables Subsidiaries to achieve certain levels of operating results.

Any such designation by the Board of Directors shall be evidenced to the relevant Trustee by filing with such Trustee a copy of the resolution of the Board of Directors giving effect to such designation and an Officer's Certificate certifying, to such Officer's knowledge and belief after consulting with counsel that such designation complied with the foregoing conditions.

"Refinance" means, in respect of any Indebtedness, to refinance, extend, renew, refund, repay, prepay, redeem, defease or retire, or to issue other Indebtedness exchange or replacement for, such Indebtedness. "Refinanced" and "Refinancing" shall have correlative meanings.

"Refinancing Indebtedness" means any Indebtedness that Refinances any other Indebtedness, including any successive Refinancings, so long as:

(1) such Indebtedness is in an aggregate principal amount (or if Incurred with original issue discount, an aggregate issue price) not in excess of the sum of:

(A) the aggregate principal amount (or if Incurred with original issue discount, the aggregate accreted value) then outstanding of the Indebtedness being Refinanced, and

(B) an amount necessary to pay any fees and expenses, including premiums and defeasance costs, related to such Refinancing,

(2) the Average Life of such Indebtedness is equal to or greater than the Average Life of the Indebtedness being Refinanced,

(3) the Stated Maturity of such Indebtedness is no earlier than the Stated Maturity of the Indebtedness being Refinanced, and

(4) to the extent such Indebtedness directly or indirectly Refinances Indebtedness of a Restricted Subsidiary Incurred pursuant to clause (b)(5) under "—Certain Covenants—During the Reinstatement Period—Limitation on Indebtedness," such Refinancing Indebtedness is Incurred only by such Restricted Subsidiary;

provided, however, that Refinancing Indebtedness shall not include:

(y) Indebtedness of a Restricted Subsidiary that is not the Company, the Issuer or a Subsidiary Guarantor that Refinances Indebtedness of the Company, the Issuer or a Subsidiary Guarantor or

(z) Indebtedness of the Company or a Restricted Subsidiary that Refinances Indebtedness of an Unrestricted Subsidiary.

"Registration Rights Agreement" means the Registration Rights Agreement, to be dated the date of the Indenture, among the Company, the Issuer, the Parent, Virgin Media Finance PLC and the Initial Purchasers relating to the Notes and any similar agreement entered into in connection with any Additional Notes.

"Related Business" means any business related, ancillary or complementary to the businesses of the Company, the Issuer and the Restricted Subsidiaries on the Closing Date including, without limitation, all forms of television, telephony and internet services and any services relating to carriers, networks, broadcast or communications services, or Content.

"Restricted Subsidiary" means the Issuer and any other Subsidiary of the Company together with ntl Glasgow and ntl Kirklees, in each case other than any Unrestricted Subsidiary.

“Rule 3-16 Excluded Collateral” means, with respect to any Lien on Capital Stock or other securities issued by Subsidiaries of either the Company or the Affiliate Guarantors (other than Virgin Media Investments Limited and the Company), under any Collateral Documents, to the extent necessary and for so long as required for such Subsidiary not to be subject to any requirement pursuant to Rule 3-16 of Regulation S-X under the Securities Act to file separate financial statements with the SEC (or any other governmental agency), the Capital Stock or other securities of such Subsidiary shall not be included in the Collateral with respect to the Notes and shall not be subject to the Liens securing the Notes solely to the extent necessary to render such requirement inapplicable.

“S&P” means Standard and Poor’s Rating Service, a division of McGraw-Hill Companies, Inc. or any successor to its rating business.

“Sale/Leaseback Transaction” means an arrangement relating to Property now owned or hereafter acquired by the Company or any Restricted Subsidiary whereby the Company or any Restricted Subsidiary transfers such Property to a Person and the Company or such Restricted Subsidiary leases it from such Person, other than leases between the Company and any Restricted Subsidiary or between Restricted Subsidiaries.

“SEC” means the U.S. Securities and Exchange Commission.

“Secured Indebtedness” means any Indebtedness of any Person secured by a Lien.

“Securities Act” means the U.S. Securities Act of 1933, as amended.

“Security Trustee” means Deutsche Bank AG, London Branch until a successor replaces it and, thereafter, means the successor.

“Significant Subsidiary” means any Restricted Subsidiary which, together with the Restricted Subsidiaries of such Restricted Subsidiary, accounted for more than 10% of the Consolidated Net Income or 10% of the Total Assets, in each case, for the most recently completed fiscal year.

“Standard Securitization Undertakings” means representations, warranties, covenants and indemnities entered into by the Company, the Issuer or any other Restricted Subsidiary that are customary in an accounts receivable transaction.

“Stated Maturity” means, with respect to any security, the date specified in such security as the fixed date on which the final payment of principal of such security is due and payable, including pursuant to any mandatory redemption provision (but excluding any provision providing for the repurchase of such security at the option of the holder thereof upon the happening of any contingency beyond the control of the Issuer unless such contingency has occurred).

“Sterling Equivalent” means with respect to any monetary amount in a currency other than pounds sterling, at any time of determination thereof, the amount of pounds sterling obtained by converting such foreign currency involved in such computation into pounds sterling at the average of the spot rates for the purchase and sale of pounds sterling with the applicable foreign currency as quoted on or recorded in any recognized source of foreign exchange rates within two Business Days prior to such determination. Whenever it is necessary to determine whether the Issuer has complied with any covenant in the Indenture or whether a Default has occurred and an amount is expressed in a currency other than pounds sterling, such amount shall be treated as the Sterling Equivalent determined as of the date such amount is initially determined in such currency.

“Sterling Notes” means the sterling denominated 5.50% Senior Secured Notes due 2021 of the Issuer.

“Subordinated Obligation” means any Indebtedness of the Issuer or a Note Guarantor (whether outstanding on the Closing Date or thereafter Incurred) that is subordinate or junior in right of payment to the Notes (in the case of the Issuer) or the Note Guarantee (in the case of a Note Guarantor) pursuant to a written agreement.

“Subsidiary” of any Person means any corporation, association, partnership or other business entity of which more than 50% of the total voting power of shares of Capital Stock or other interests (including

partnership interests) entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by:

- (1) such Person,
- (2) such Person and one or more Subsidiaries of such Person, or
- (3) one or more Subsidiaries of such Person.

“Subsidiary Guarantee” means each Guarantee of the obligations with respect to the Notes issued by a Subsidiary of the Issuer pursuant to the terms of the Indenture.

“Subsidiary Guarantor” means each Restricted Subsidiary in existence on the Closing Date that provides a Subsidiary Guarantee on the Closing Date (and any other Restricted Subsidiary that provides a Subsidiary Guarantee in accordance with the Indenture); *provided* that upon release or discharge of such Restricted Subsidiary from its Subsidiary Guarantee in accordance with the Indenture, such Restricted Subsidiary ceases to be a Subsidiary Guarantor.

“Successor Entity” shall have the meaning assigned thereto in clause (1) of the fourth paragraph under “—Merger and Consolidation.”

“Tax Sharing Agreement” means the tax cooperation agreement entered into with effect as of the 3rd day of March, 2006, by and between (i) Parent and (ii) the Company and Telewest Communications Networks Limited.

“Temporary Cash Investments” means any of the following:

(1) any investment in direct obligations of any country that is a Member State or the United States of America or any agency thereof or obligations Guaranteed by any country that is a Member State or the United States of America or any agency thereof, and whose long-term debt is rated “A” (or such similar equivalent rating) or higher by at least one nationally recognized statistical rating organization (as defined in Rule 436 of the Securities Act);

(2) investments in checking accounts, time deposit accounts, certificates of deposit, bankers’ acceptances and money market deposits maturing within one year of the date of acquisition thereof issued by a bank or trust company that is organized under the laws of the United States of America, any state thereof or any foreign country recognized by the United States of America having capital, surplus and undivided profits aggregating in excess of £250 million (or the foreign currency equivalent thereof) and whose long-term debt is rated “A” (or such similar equivalent rating) or higher by at least one nationally recognized statistical rating organization (as defined in Rule 436 of the Securities Act);

(3) repurchase obligations with a term of not more than 60 days for underlying securities of the types described in clause (1) above entered into with a bank meeting the qualifications described in clause (2) above;

(4) investments in commercial paper, maturing not more than 180 days after the date of acquisition, issued by a corporation (other than an Affiliate of the Issuer) organized and in existence under the laws of the United States of America or any foreign country recognized by the United States with a rating at the time as of which any investment therein is made of “P-1” (or higher) according to Moody’s or “A-1” (or higher) according to S&P; and

(5) investments in securities with maturities of one year or less from the date of acquisition issued or fully guaranteed by any country that is a Member State, any state, commonwealth or territory of the United States of America, or by any political subdivision or taxing authority thereof, and rated at least “A” by S&P or “A” by Moody’s.

“Total Assets” means, as of any date of determination, the fixed assets and current assets shown on the most recent Consolidated balance sheet of the Company and the Restricted Subsidiaries as certified in an Officer’s Certificate delivered to the Trustee.

“Trade Payables” means, with respect to any Person, any accounts payable or any indebtedness or monetary obligation to trade creditors created, assumed or Guaranteed by such Person arising in the ordinary course of business in connection with the acquisition of goods or services.

“Treasury Rate” means the yield to maturity at the time of computation of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) which has become publicly available at least two Business Days (but not more than five Business Days) prior to the redemption date (or, if such Statistical Release is not so published or available, any publicly available source of similar market data selected by the Company in good faith)) most nearly equal to the period from the redemption date to January 15, 2021; *provided, however*, that if the period from the redemption date to January 15, 2021 is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the period from the redemption date to January 15, 2021 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

“Trustee” means the party named as such in the Indenture until a successor replaces it and, thereafter, means the successor.

“Trust Indenture Act” means the U.S. Trust Indenture Act of 1939, as amended.

“Trust Officer” means the chairman of the board, the president or any other officer or assistant officer of the Trustee assigned by the Trustee to administer its corporate trust matters.

“UK Government Obligations” means sovereign obligations of the UK for the timely payment of which its full faith and credit is pledged, in each case which are payable in pounds sterling and not callable or redeemable at the option of the issuer thereof.

“UKTV Joint Ventures” means any joint venture arrangement relating to the Content Business in existence on the Closing Date or formed thereafter by the Company or any of the Restricted Subsidiaries with BBC Commercial Holdings Limited or any of its affiliates.

“Uniform Commercial Code” means the New York Uniform Commercial Code as in effect from time to time.

“Unrestricted Subsidiary” means:

(1) any Subsidiary of the Company or any Affiliate Guarantor that at the time of determination shall be designated an Unrestricted Subsidiary by the Board of Directors in accordance with the covenant described under “—Certain Covenants—During the Suspension Period—Designation of Restricted and Unrestricted Subsidiaries;” and

(2) any Subsidiary of an Unrestricted Subsidiary.

“U.S. Government Obligations” means securities that are (a) direct obligations of the United States of America for the timely payment of which its full faith and credit is pledged or (b) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the timely payment of which is unconditionally guaranteed as a full faith and credit obligation of the United States of America, which, in either case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depositary receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act), as custodian with respect to any such U.S. Government Obligations or a specific payment of principal of or interest on any such U.S. Government Obligations held by such custodian for the account of the holder of such depositary receipt; provided, however, that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depositary receipt from any amount received by the custodian in respect of the U.S. Government Obligations or the specific payment of principal of or interest on the U.S. Government Obligations evidenced by such depositary receipt.

“Virgin Media Communications” means Virgin Media Communications Limited, a company incorporated under the laws of England and Wales.

“Virgin Media Holding Company” means any Person of which the Company is a direct or indirect Wholly Owned Subsidiary.

“Voting Stock” of a Person means all classes of Capital Stock or other interests (including partnership interests) of such Person then outstanding and normally entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof.

“Wholly Owned Subsidiary” means (1) in respect of any Person, a Person, all of the Capital Stock of which (other than directors’ qualifying shares or an immaterial amount of shares required to be owned by other Persons pursuant to applicable law or to ensure limited liability) is owned by that Person directly or (2) indirectly by a Person that satisfies the requirements of clause (1).

Book-Entry Settlement and Clearance

The Global Notes

The dollar notes offered hereby are denominated in U.S. dollars and the sterling notes are denominated in pounds sterling.

Each series of notes sold outside the United States pursuant to Regulation S under the Securities Act will initially be represented by a global note in registered form, without interest coupons (the “Regulation S global notes”). The Regulation S global note representing the sterling notes (the “sterling Regulation S global note”) will be deposited, on the closing date, with a common depository and registered in the name of the nominee of the common depository for the accounts of Euroclear and Clearstream. The Regulation S global note representing the dollar notes (the “dollar Regulation S global note”) will be deposited upon issuance with the trustee as custodian for DTC and registered in the name of Cede & Co., as nominee of DTC.

Each series of notes sold within the United States to qualified institutional buyers pursuant to Rule 144A under the Securities Act will initially be represented by a global note in registered form, without interest coupons (the “144A global notes” and, together with the Regulation S global notes, the “global notes”). The 144A global note representing the sterling notes (the “sterling 144A global note” and, together with the sterling Regulation S global note, the “sterling global notes”), will be deposited, on the closing date, with a common depository and registered in the name of the nominee of the common depository for the accounts of Euroclear and Clearstream. The 144A global note representing the dollar notes (the “dollar 144A global notes” and, together with the dollar Regulation S global note, the “dollar global notes”) will be deposited upon issuance with the trustee as custodian for DTC and registered in the name of Cede & Co., as nominee of DTC.

Ownership of interests in the 144A global notes (“144A book-entry interests”) and ownership of interests in the Regulation S global notes (the “Regulation S book-entry interests,” and together with the 144A book-entry interests, the “book-entry interests”) will be limited to persons that have accounts with DTC, Euroclear and/or Clearstream or persons that may hold interests through such participants. Book-entry interests will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by DTC, Euroclear and Clearstream and their participants.

The book-entry interests will not be held in definitive form. Instead, DTC, Euroclear and/or Clearstream will credit on their respective book-entry registration and transfer systems a participant’s account with the interest beneficially owned by such participant. The laws of some jurisdictions, including certain states of the U.S., may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may impair the ability to own, transfer or pledge book-entry interests. In addition, while the notes are in global form, “holders” of book-entry interests will not be considered the owners of notes for any purpose.

So long as the notes are held in global form, DTC, Euroclear and/or Clearstream (or their respective nominees) will be considered the holders of global notes for all purposes under the indenture. As such, participants must rely on the procedures of DTC, Euroclear and/or Clearstream and indirect participants must rely on the procedures of DTC, Euroclear and/or Clearstream and the participants through which they own book-entry interests in order to exercise any rights of holders under the indenture.

Neither we nor the trustee under the indenture nor any of our respective agents will have any responsibility or be liable for any aspect of the records in relation to the book-entry interests.

Redemption of Global Notes

In the event that any global note, or any portion thereof, is redeemed, DTC, Euroclear and/or Clearstream, as applicable, will distribute the amount received by it in respect of the global note so redeemed to the holders of the book-entry interests in such global note. The redemption price payable in connection with the redemption of such book-entry interests will be equal to the amount received by DTC, Euroclear and/or Clearstream, as

applicable, in connection with the redemption of such global note (or any portion thereof). We understand that under existing practices of DTC, Euroclear and/or Clearstream, if fewer than all of the notes are to be redeemed at any time, DTC, Euroclear and/or Clearstream will credit their respective participants' accounts on a proportionate basis (with adjustments to prevent fractions) or by lot or on any other basis that they deem fair and appropriate; provided that no book-entry interest of less than \$200,000 or £100,000, as applicable, principal amount may be redeemed in part.

Payments on Global Notes

Payments of amounts owing in respect of the global notes (including principal, premium, interest, additional interest and additional amounts) will be made by us to the paying agent. The paying agent will, in turn, make such payments to DTC or its nominee (in the case of the dollar global notes) and to the common depositary for Euroclear and Clearstream (in the case of the sterling global notes), which will distribute such payments to participants in accordance with their procedures.

Under the terms of the indenture, the Issuer and the trustee will treat the registered holder of the global notes (i.e., DTC, Euroclear or Clearstream (or their respective nominees)) as the owner thereof for the purpose of receiving payments and for all other purposes. Consequently, neither we nor the trustee or any of our respective agents has or will have any responsibility or liability for:

- any aspects of the records of DTC, Euroclear, Clearstream or any participant or indirect participant relating to or payments made on account of a book-entry interest, for any such payments made by DTC, Euroclear, Clearstream or any participant or indirect participant, or for maintaining, supervising or reviewing the records of DTC, Euroclear, Clearstream or any participant or indirect participant relating to a book-entry interest or payments made on account of a book-entry interest; or
- DTC, Euroclear, Clearstream or any participant or indirect participant.

Payments by participants to owners of book-entry interests held through participants are the responsibility of such participants, as is now the case with securities held for the accounts of customers registered in "street name."

Currency and Payment for the Global Notes

The principal of, premium, if any, and interest on, and all other amounts payable in respect of (i) the dollar global notes will be paid in U.S. dollars and (ii) the sterling global notes will be paid in pounds sterling.

Action by Owners of Book-Entry Interests

DTC, Euroclear and Clearstream have advised us that they will take any action permitted to be taken by a holder of notes only at the direction of one or more participants to whose account the book-entry interests in the global notes are credited and only in respect of such portion of the aggregate principal amount of notes as to which such participant or participants has or have given such direction. DTC, Euroclear and Clearstream will not exercise any discretion in the granting of consents, waivers or the taking of any other action in respect of the global notes. However, if there is an event of default under the notes, DTC, Euroclear and Clearstream reserve their right, subject to certain restrictions, to exchange the global notes for definitive registered notes (as defined below) in certificated form, and to distribute such definitive registered notes to their respective participants.

Issuance of Definitive Registered Notes

Owners of book-entry interests will receive definitive notes in registered form ("definitive registered notes"):

- if DTC (with respect to the dollar global notes) or Euroclear and/or Clearstream (with respect to the sterling global notes) notifies us that it is unwilling or unable to continue to act and a successor is not appointed by us within 120 days;

- in whole, but not in part, if the Issuer, DTC, Euroclear, Clearstream or the common depository so requests, following an event of default under the indenture; or
- if the owner of a book-entry interest requests such exchange in writing delivered through DTC, Euroclear or Clearstream or the Issuer following an event of default under the indenture.

In such an event, the registrar will issue definitive registered notes, registered in the name or names and issued in any approved denominations, requested by or on behalf of DTC, Euroclear or Clearstream or the Issuer, as applicable (in accordance with their respective customary procedures and based upon directions received from participants reflecting the beneficial ownership of book-entry interests).

Transfers

Transfers between participants in DTC will be done in accordance with DTC rules and will be settled in immediately available funds. If a holder requires physical delivery of definitive registered notes for any reason, including to sell the notes to persons in states which require physical delivery of such securities or to pledge such securities, such holder must transfer its interest in the global notes in accordance with the normal procedures of DTC and in accordance with the provisions of the indenture.

The global notes will bear a legend to the effect set forth in “Transfer Restrictions.” Book-entry interests in the global notes will be subject to the restrictions on transfer discussed in “Transfer Restrictions.”

Through and including the 40th day after the later of the commencement of the offering of the notes and the closing of the offering (the “40-day period”), beneficial interests in a Regulation S global note may be transferred to a person who takes delivery in the form of an interest in the 144A global note denominated in the same currency only if such transfer is made pursuant to Rule 144A and the transferor first delivers to the trustee a certificate (in the form provided in the Indenture) to the effect that such transfer is being made to a person who the transferor reasonably believes is a qualified institutional buyer within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A or otherwise in accordance with the transfer restrictions described under “Transfer Restrictions” and in accordance with all applicable securities laws of the states of the United States and other jurisdictions.

After the expiration of the 40-day period, beneficial interests in a Regulation S global note may be transferred to a person who takes delivery in the form of a beneficial interest in the 144A global note denominated in the same currency without compliance with these certification requirements.

Beneficial interests in a 144A global note may be transferred to a person who takes delivery in the form of a beneficial interest in the Regulation S global note denominated in the same currency only upon receipt by the trustee of a written certification (in the form provided in the Indenture) from the transferor to the effect that such transfer is being made in accordance with Regulation S or Rule 144 under the Securities Act (if available).

Subject to the foregoing, and as set forth in “Transfer Restrictions,” book-entry interests may be transferred and exchanged as described under “Description of Notes—Transfer and Exchange.”

Any book-entry interest in one of the global notes that is transferred to a person who takes delivery in the form of a book-entry interest in the other global note of the same denomination will, upon transfer, cease to be a book-entry interest in the first-mentioned global note and become a book-entry interest in the other global note, and accordingly, will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to book-entry interests in such other global note for as long as it retains such a book-entry interest.

Definitive registered notes may be transferred and exchanged for book-entry interests in a global note only as described under “Description of Notes—Transfer and Exchange” and, if required, only if the transferor first delivers to the trustee a written certificate (in the form provided in the indenture) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to such notes. See “Transfer Restrictions.”

This paragraph refers to transfers and exchanges with respect to dollar global notes only. Transfers involving an exchange of a Regulation S book-entry interest for 144A book-entry interest in a dollar global note will be done by DTC by means of an instruction originating from the trustee through the DTC Deposit/Withdrawal Custodian system. Accordingly, in connection with any such transfer, appropriate adjustments will be made to reflect a decrease in the principal amount of the relevant Regulation S global note and a corresponding increase in the principal amount of the corresponding 144A global note. The policies and practices of DTC may prohibit transfers of unrestricted book-entry interests in the Regulation S global note prior to the expiration of the 40 days after the date of initial issuance of the notes. Any book-entry interest in one of the global notes that is transferred to a person who takes delivery in the form of a book-entry interest in any other global note will, upon transfer, cease to be a book-entry interest in the first-mentioned global note and become a book-entry interest in such other global note, and accordingly will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to book-entry interests in such other global note for as long as it remains such a book-entry interest.

Information Concerning DTC, Euroclear and Clearstream

All book-entry interests will be subject to the operations and procedures of DTC. We provide the following summaries of those operations and procedures solely for the convenience of investors. The operations and procedures of each settlement system are controlled by that settlement system and may be changed at any time. Neither we nor the Initial Purchasers are responsible for those operations or procedures.

DTC has advised us that it is:

- a limited purpose trust company organized under New York Banking Law;
- a “banking organization” under New York Banking Law;
- a member of the Federal Reserve System;
- a “clearing corporation” within the meaning of the New York Uniform Commercial Code; and
- a “clearing agency” registered under Section 17A of the Exchange Act.

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of transactions among its participants. It does this through electronic book-entry changes in the accounts of securities participants, eliminating the need for physical movement of securities certificates. DTC participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC’s owners are the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. and a number of its direct participants. Others, such as banks, brokers and dealers and trust companies that clear through or maintain a custodial relationship with a direct participant also have access to the DTC system and are known as indirect participants.

Like DTC, Euroclear and Clearstream hold securities for participating organizations. They also facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in the accounts of such participants. Euroclear and Clearstream provide various services to their participants, including the safekeeping, administration, clearance, settlement, lending and borrowing of internationally traded securities. Euroclear and Clearstream interface with domestic securities markets. Euroclear and Clearstream participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and certain other organizations. Indirect access to Euroclear or Clearstream is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Because DTC, Euroclear and Clearstream can only act on behalf of participants, who in turn act on behalf of indirect participants and certain banks, the ability of an owner of a beneficial interest to pledge such interest to persons or entities that do not participate in the DTC, Euroclear or Clearstream systems, or otherwise take actions

in respect of such interest, may be limited by the lack of a definite certificate for that interest. The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests to such persons may be limited.

Global Clearance and Settlement under the Book-Entry System

The notes represented by the global notes are expected to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF market of the Luxembourg Stock Exchange, and interests in the dollar global notes will trade in DTC's Same Day Funds Settlement System, and any permitted secondary market trading activity in such notes will, therefore, be required by DTC to be settled in immediately available funds. Transfers of interests in the dollar global notes and sterling global notes between participants in Euroclear or Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures. Cross-market transfers with respect to interests in dollar global notes between participants in DTC, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be done through DTC in accordance with DTC's rules on behalf of each of Euroclear or Clearstream.

Because of time-zone differences, the securities account of a Euroclear or Clearstream participant purchasing an interest in a global note from a DTC participant will be credited, and any such crediting will be reported to the relevant Euroclear or Clearstream participant, during the securities settlement processing day (which must be a business day for Euroclear or Clearstream) immediately following the settlement date of DTC. Cash received in Euroclear and Clearstream as a result of a sale of an interest in a global note by or through a Euroclear or Clearstream participant to a participant in DTC will be received with value on the settlement date of DTC but will be available in the relevant Euroclear or Clearstream cash account only as of the business day for Euroclear or Clearstream following DTC's settlement date.

Although DTC, Euroclear and Clearstream currently follow the foregoing procedures in order to facilitate transfers of interests in the global notes among participants in DTC, Euroclear and Clearstream, as the case may be, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or modified at any time. None of the Issuer, the trustee or the paying agent will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants, of their respective obligations under the rules and procedures governing their operations.

Initial Settlement

Initial settlement for the notes denominated in U.S. dollars will be made in U.S. dollars and initial settlement for the notes denominated in sterling will be made in pounds sterling. Book-entry interests owned through DTC, Euroclear or Clearstream accounts will follow the settlement procedures applicable to conventional bonds in registered form. Book-entry interests will be credited to the securities custody accounts of DTC, Euroclear and Clearstream holders on the business day following the settlement date against payment for value on the settlement date.

Secondary Market Trading

The book-entry interests will trade through participants of DTC, Euroclear and Clearstream and will settle in same-day funds. Since the purchaser determines the place of delivery, it is important to establish at the time of trading of any book-entry interests where both the purchaser's and the seller's accounts are located to ensure that settlement can be made on the desired value date.

Exchange Offer; Registration Rights

The Issuer, Virgin Media Inc., Virgin Media Finance PLC and VMIH will enter into a registration rights agreement with respect to the notes on the closing date of this offering. In that agreement, we will agree for the benefit of the holders of the notes to (i) file a registration statement on an appropriate registration form with respect to a registered offer to exchange the notes for new notes guaranteed by the guarantors, with terms substantially identical in all material respects to the notes (except that the exchange notes will not contain terms with respect to transfer restrictions or any increase in annual interest rate) and (ii) use our reasonable best efforts to cause the registration statement to be declared effective under the Securities Act.

When the SEC declares the exchange offer registration statement effective, we will offer the exchange notes (and the related guarantees) in return for the notes. The exchange offer will remain open for at least 30 days (or longer if required by applicable law) after the date we mail notice of the exchange offer to noteholders. For each note surrendered to us under the exchange offer, the noteholder will receive an exchange note of equal principal amount. Interest on each exchange note will accrue (A) from the later of (i) the last interest payment date on which interest was paid on the note surrendered in exchange therefor or (ii) if the note is surrendered for exchange on a date in a period that includes the record date for an interest payment date to occur on or after the date of such exchange and as to which interest will be paid, the date of such interest payment date or (B) if no interest has been paid on such note, from the closing date of this offering. A noteholder that participates in the exchange offer will be required to make certain representations to us (as described in the registration rights agreement). We and the guarantors will use our reasonable best efforts to file a registration statement in respect of the exchange offer not later than 365 days from the date of the issue of the notes and to cause such registration statement to be declared effective by the SEC not later than 395 days from the date of the issue of the notes. Under existing interpretations of the SEC contained in several no-action letters to third parties, the exchange notes (and the related guarantees) will generally be freely transferable after the exchange offer without further registration under the Securities Act, except that any broker-dealer that participates in the exchange must deliver a prospectus meeting the requirements of the Securities Act when it resells the exchange notes. We will agree to make available, during the period required by the Securities Act, a prospectus meeting the requirements of the Securities Act for use by participating broker-dealers and other persons, if any, with similar prospectus delivery requirements for use in connection with any resale of exchange notes. Notes not tendered in the exchange offer shall bear interest at the rate set forth on the cover page of this offering memorandum and be subject to all the terms and conditions specified in the applicable indenture governing the notes, including transfer restrictions, but will not retain any rights under the registration rights agreement (including with respect to increases in annual interest rate described below) after the consummation of the exchange offer.

If (A) the Issuer and the guarantors fail to file the registration statement required by the registration rights agreement on or before the date specified for such filing, or (B) such registration statement is not declared effective by the SEC on or prior to the date specified for such declaration of effectiveness, or (C) we have not exchanged exchange notes for all notes validly tendered in accordance with the terms of the exchange offer on or prior to the 30th business day after the date specified for such effectiveness (subject to extension by the Issuer beyond 30 business days to facilitate late tenders from noteholders), then additional interest shall accrue on the principal amount of the notes at a rate of 0.25% per annum (which rate will be increased by an additional 0.25% per annum for each subsequent 90-day period that such additional interest continues to accrue, provided that the rate at which such additional interest accrues may in no event exceed 1.00% per annum) commencing on the occurrence of an event described in (A), (B) or (C) above; provided, however, that upon the filing of the registration statement required by the registration rights agreement (in the case of clause (A) above), the declaration of such registration statement to be effective by the SEC (in the case of clause (B) above), or the exchange of exchange notes for all notes validly tendered (in the case of clause (C) above), additional interest on such notes as a result of such clause (or the relevant sub-clause thereof), as the case may be, shall cease to accrue. If a shelf registration statement is required to be filed pursuant to the registration rights agreement, has been declared effective and thereafter either ceases to be effective or the included prospectus ceases to be usable at any time during the required effectiveness period, and such failure to remain effective or be usable exists for more than 45 days (whether or not consecutive) in any 12-month period, the interest rate on the notes will be increased

by 0.25% per annum commencing on the 46th day in such 12-month period and ending on such date that the shelf registration statement has again been declared effective or the prospectus again becomes usable.

Any amounts of additional interest due will be payable in cash on the same original interest payment dates as interest on the notes is payable. The exchange notes will be accepted for clearance through DTC, Euroclear and Clearstream. This summary of the provisions of the registration rights agreement does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all the provisions of the registration rights agreement, copies of which are available from us upon request.

Material United States Federal Income Tax Considerations

The following summary describes the material U.S. federal income tax consequences of the ownership and disposition of the notes by a U.S. holder, as defined below. The discussion set forth below is applicable to U.S. holders (i) who purchase notes in this offering for a price equal to the issue price of the tranche of notes purchased (i.e., the first price at which a substantial amount of the notes of such tranche is sold other than to bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers), (ii) who are residents of the United States for purposes of the current Income Tax Convention between the U.K. and the United States, which we refer to as the Treaty, (iii) whose notes are not, for purposes of the Treaty, part of the business property of a permanent establishment in the U.K. or a fixed base in the U.K. and (iv) who otherwise qualify for the full benefits of the Treaty. Except where noted, this section deals only with notes held as capital assets and does not deal with special situations, for example, those of dealers in securities or currencies, financial institutions, tax-exempt entities, insurance companies, real estate investment trusts, regulated investment companies, partnerships or other pass through-entities for U.S. federal income tax purposes, traders in securities that elect to use a mark-to-market method of accounting for their securities holdings, persons liable for alternative minimum tax, persons holding notes as part of a hedging, integrated, conversion or constructive sale transaction or a straddle, U.S. expatriates, U.S. holders of notes whose “functional currency” is not the U.S. dollar or U.S. holders that acquire the notes for a price other than their issue price. If a partnership or other entity or arrangement classified as a partnership for U.S. federal income tax purposes holds the notes, the tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. If you are a partner of a partnership (or a member of an entity or arrangement classified as a partnership for U.S. federal income tax purposes) holding the notes, you should consult your tax advisors. Furthermore, the discussion below is based upon the provisions of the Internal Revenue Code of 1986, as amended, which we refer to as the Code, and regulations, administrative proceedings and judicial decisions thereunder as of the date of this offering memorandum. These authorities may be repealed, revoked or modified, perhaps retroactively, so as to result in U.S. federal income tax consequences different from those discussed below. This summary does not represent a detailed description of the U.S. federal income tax consequences to you in light of your particular circumstances and does not address U.S. state or local or non-U.S. tax consequences of the ownership and disposition of the notes or the recently enacted Medicare tax on investment income. **Persons considering the purchase, ownership or disposition of notes should consult their own tax advisors concerning the U.S. federal income tax consequences related to their particular situations as well as any consequences arising under the laws of any other taxing jurisdiction.**

As used herein, a “U.S. holder” means a beneficial owner of a note that is for U.S. federal income tax purposes (i) an individual citizen or resident of the United States, (ii) a corporation or other entity classified as a corporation for these purposes, created or organized in or under the laws of the United States, any state or any political subdivision thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source or (iv) a trust (X) that is subject to the primary supervision of a court within the United States and the control of one or more United States persons as described in section 7701(a)(30) of the Code or (Y) that has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a United States person.

PURSUANT TO U.S. TREASURY DEPARTMENT CIRCULAR 230, WE ARE INFORMING YOU THAT (A) THIS SUMMARY IS NOT INTENDED AND WAS NOT WRITTEN TO BE USED, AND CANNOT BE USED, BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING PENALTIES UNDER THE U.S. FEDERAL TAX LAWS THAT MAY BE IMPOSED ON THE TAXPAYER, (B) THIS SUMMARY WAS WRITTEN IN CONNECTION WITH THE PROMOTION OR MARKETING BY US AND THE INITIAL PURCHASERS OF THE NOTES, AND (C) EACH TAXPAYER SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Stated Interest

Stated interest on the notes will generally be taxable to a U.S. holder as ordinary income at the time it is paid or accrued in accordance with the U.S. holder’s method of accounting for U.S. federal income tax purposes.

Interest on the notes generally will constitute foreign source income and generally will constitute “passive category income” or, in the case of certain U.S. holders, “general category income” for foreign tax credit purposes. In addition, foreign tax credits generally will not be allowed for foreign taxes imposed on interest on certain short-term or hedged positions in the notes. The calculation and timing of foreign tax credits and, in the case of a U.S. holder that elects to deduct foreign taxes, the availability of deductions involve the application of complex rules that depend upon a U.S. holder’s particular circumstances. U.S. holders should consult with their own tax advisors with regard to the availability of a credit or deduction in respect of foreign taxes and, in particular, the application of the foreign tax credit rules to their particular situations.

See the discussion below under “Foreign Currency Considerations for Sterling Notes” for additional U.S. federal income tax consequences related to the sterling notes.

Sale, Exchange and Retirement of Notes

Upon the sale, exchange, retirement or other taxable disposition of a note, a U.S. holder will recognize gain or loss equal to the difference between (i) the amount realized upon the sale, exchange, retirement or other disposition, less any accrued and unpaid interest that has not been previously included in income, which will be taxable as described above, and (ii) the U.S. holder’s tax basis in the note. A U.S. holder’s tax basis in the note will, in general, be such U.S. holder’s cost of the note. Gain or loss recognized by a U.S. holder on the sale, exchange, retirement or other disposition of a note will generally be treated as United States source gain or loss. Except as discussed below under “Foreign Currency Considerations for Sterling Notes,” such gain or loss will be capital gain or loss and will be long-term capital gain or loss if at the time of the sale, exchange, retirement or other disposition, the note has been held for more than one year. Capital gains of individuals derived with respect to capital assets held for more than one year are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

See the discussion below under “Foreign Currency Considerations for Sterling Notes” for additional U.S. federal income tax consequences related to the sterling notes.

Foreign Currency Considerations for Sterling Notes

Stated Interest on Sterling Notes

Interest payments on the sterling notes will be taxable to U.S. holders under the following rules. A cash basis U.S. holder will be required to include in gross income the U.S. dollar value of the sterling amount of interest received, determined by translating the sterling amount into U.S. dollars at the spot rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars. A cash basis U.S. holder will not recognize exchange gain or loss with respect to the receipt of pounds sterling interest payments.

An accrual basis U.S. holder of a sterling note will be required to include interest in gross income under the following rules. The U.S. holder will be required to include in gross income the U.S. dollar value of the sterling amount of interest that accrues during an accrual period, determined by translating the sterling amount of accrued interest into U.S. dollars at the average exchange rate in effect during the accrual period (or, if the accrual period spans two taxable years, at the exchange rate for the partial period within the taxable year). However, the U.S. holder may elect to translate accrued interest income into U.S. dollars at the spot rate on the last day of the accrual period (or the last day of the taxable year in the case of an accrual period that straddles the U.S. holder’s taxable year) or at the spot rate on the date the interest payment is received if that date is within five days of the end of the accrual period. A U.S. holder that makes such an election must apply it consistently to all debt instruments from year to year and cannot change the election without the consent of the Internal Revenue Service. Accordingly, U.S. holders should consult their own tax advisors regarding the desirability, mechanics and collateral consequences of making this election.

Upon receipt of an interest payment on a sterling note, including amounts received upon the disposition of such sterling note attributable to accrued but unpaid interest previously included in income, an accrual basis

U.S. holder will recognize exchange gain or loss, generally treated as ordinary income or loss, in an amount equal to the difference, if any, between (x) the U.S. dollar value of such payment, determined by translating the sterling amount received into U.S. dollars at the spot rate in effect on the date received and (y) the U.S. dollar value of the interest income that the U.S. holder has previously included in income with respect to such payment, regardless of whether the payment is actually converted into U.S. dollars. For these purposes, all receipts on a sterling note will be viewed (i) first, as the receipt of any stated interest payments called for under the terms of the sterling note, and (ii) second, as the receipt of principal.

If a U.S. holder receives a payment on a sterling note in U.S. dollars as a result of a currency conversion, the U.S. dollar amount so received might not be the same as the U.S. dollar amount required to be recognized as interest income under the rules described above.

Exchange or Purchase of Pounds Sterling

Pounds sterling received by a U.S. holder as interest on a sterling note or on the sale or other disposition of a sterling note generally will have a tax basis equal to the U.S. dollar value of the pounds sterling determined at the spot rate on the date the U.S. holder receives the pounds sterling. If a U.S. holder purchases pounds sterling, the U.S. holder's tax basis in the pounds sterling generally will be the U.S. dollar value of the pounds sterling determined at the spot rate on the date of purchase. Any gain or loss recognized by a U.S. holder on the sale or other disposition of pounds sterling (including the use of pounds sterling to purchase notes or upon the exchange of pounds sterling for U.S. dollars) generally will be treated as ordinary income or loss.

Exchange Gain or Loss on Sale or Disposition of Sterling Notes

If a U.S. holder receives pounds sterling on the sale, retirement or other disposition of a sterling note, the U.S. dollar amount realized generally will be based on the spot rate on the date of the sale, retirement or other disposition. However, if the sterling notes are traded on an established securities market, a cash basis U.S. holder or an electing accrual basis U.S. holder will determine the U.S. dollar amount realized by translating the pounds sterling received at the spot rate on the settlement date of the sale, retirement or other disposition. If an accrual basis U.S. holder makes this election, the election must be applied consistently to all debt instruments from year to year and cannot be changed without the consent of the Internal Revenue Service. If an accrual basis U.S. holder does not make this election, the U.S. holder will determine the U.S. dollar equivalent of the amount realized by translating that amount at the spot rate on the date of the sale, retirement or other disposition and generally will recognize exchange gain or loss (generally treated as ordinary income or loss) equal to the difference, if any, between the U.S. dollar equivalent of the amount realized based on the spot rates in effect on the date of disposition and the settlement date.

A U.S. holder's initial tax basis in a sterling note generally will be U.S. holder's cost of the sterling note, which, in the case of a U.S. holder that purchases a sterling note with pounds sterling will be the U.S. dollar value of the sterling amount paid for such sterling note, determined at the spot rate on the date of purchase. However, if the sterling notes are traded on an established securities market, a cash basis U.S. holder or an electing accrual basis U.S. holder will determine the U.S. dollar amount of the pounds sterling purchase price by translating the pounds sterling paid at the spot rate on the settlement date of the purchase. As described above, if an accrual basis U.S. holder makes this election, the election must be applied consistently to all debt instruments from year to year and cannot be changed without the consent of the Internal Revenue Service. If an accrual basis U.S. holder does not make this election, the U.S. holder will determine the U.S. dollar equivalent of the purchase price by translating that amount at the spot rate on the date of the purchase and generally will recognize exchange gain or loss (generally treated as ordinary income or loss) equal to the difference, if any, between the U.S. dollar equivalent of the purchase price based on the spot rates in effect on the date of purchase and the settlement date.

A U.S. holder of a sterling note will recognize exchange gain or loss attributable to the movement in exchange rates between the time of purchase and the time of disposition, including the sale, exchange, retirement or other disposition, of the sterling note. Gain or loss attributable to the movement of exchange rates will equal the difference between (1) the U.S. dollar value of the pounds sterling principal amount of the sterling note,

determined as of the date such sterling note is disposed of based on the spot rate in effect on that date, and (2) the U.S. dollar value of the pounds sterling principal amount of such sterling note, determined on the date the U.S. holder acquired the sterling note based on the spot rate in effect on that date. For this purpose, the principal amount of the sterling note is the U.S. holder's purchase price for the note in pounds sterling. Any such gain or loss generally will be treated as ordinary income or loss, and generally will be U.S. source gain or loss, and generally will not be treated as interest income or expense. The realization of any such gain or loss will be limited to the amount of overall gain or loss realized by the U.S. holder on the disposition of the note.

Information Reporting and Backup Withholding

In general, information reporting may apply to payments of principal and interest on a note and to the proceeds of the sale of a note made to U.S. holders other than exempt recipients. Backup withholding at a rate of 28%, which rate is scheduled to increase to 31% for taxable years beginning on or after January 1, 2013, will apply to these payments if the U.S. holder fails to provide its taxpayer identification number or, in the case of interest payments, fails either to report in full dividend and interest income or to make various certifications.

Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against the U.S. holder's U.S. federal income tax liability provided the required information is furnished on a timely basis to the Internal Revenue Service.

The above summary is not intended to constitute a complete analysis of all U.S. federal income tax consequences to an investor of acquiring, owning and disposing of the notes. Each prospective investor should consult its own tax advisor with respect to the U.S. federal, state and local and foreign and other tax consequences of acquiring, holding and disposing of the notes.

Material United Kingdom Tax Considerations

The following is a general guide to U.K. tax considerations relating to the notes based on current U.K. law and practice. It does not purport to be a complete analysis of all U.K. tax considerations relating to the notes. It applies only to persons who are the absolute beneficial owners of notes and some aspects do not apply to some classes of taxpayer. Prospective holders of notes who may be subject to tax in a jurisdiction other than the U.K. or who are in any doubt as to their tax position should consult their own professional advisers.

Payment of Interest

The notes will constitute “quoted Eurobonds” within the meaning of section 987 of the Income Tax Act 2007 (the “2007 Act”), as long as they are and continue to be listed on a “recognized stock exchange” within the meaning of section 1005 of the 2007 Act. The Luxembourg Stock Exchange is such a recognized exchange. Provided that this condition remains satisfied, payments of interest on the notes may be made without withholding on account of U.K. tax.

In the event that the notes cease to be listed on a recognized stock exchange, payments of interest must be made under deduction of income tax at the basic rate, currently 20%, subject to any direction to the contrary by HM Revenue & Customs under an applicable double taxation treaty, unless payments are made to some categories of recipients, including companies which the Issuer reasonably believes are subject to U.K. corporation tax.

Interest on the notes may be subject to income tax by direct assessment even where paid without deduction or withholding on account of U.K. income tax. Interest on the notes received without deduction or withholding on account of U.K. tax will not be chargeable to U.K. tax in the hands of a holder of notes who is not resident for tax purposes in the U.K. (other than in the case of certain trustees) unless that holder of notes carries on a trade, profession or vocation in the U.K. through a U.K. branch or agency, or (if the holder of notes is a company) through a U.K. permanent establishment, in connection with which the interest is received or to which the notes are attributable. There are exemptions from U.K. tax for interest received through certain categories of agent, such as some brokers and investment managers. The provisions of any applicable double tax treaty may be relevant in any case where U.K. tax is payable.

The provisions relating to additional payments referred to under “Description of Notes—Payments of Additional Amounts” would not apply if HM Revenue & Customs sought to assess the person entitled to the interest directly to U.K. income tax. Exemption from or reduction of U.K. tax liability might be available under an applicable double taxation treaty.

Payments by a Guarantor

If a guarantor makes any payments in respect of interest on the notes (or other amounts due under the notes other than the repayment of amounts subscribed for the notes), it is possible that such payments may be subject to U.K. withholding tax, subject to any claim which could be made under an applicable double taxation treaty. Such payments by a guarantor may not be eligible for the quoted Eurobonds exemption described above.

Provision of Information

Holders of notes should note that where any interest on notes is paid to them (or to any person acting on their behalf) by the Issuer or any person in the U.K. acting on behalf of the Issuer (a “paying agent”), or is received by any person in the U.K. acting on behalf of the relevant noteholder (other than solely by clearing or arranging the clearing of a cheque) (a “collecting agent”), then the Issuer, the paying agent or the collecting agent (as the case may be) may, in certain cases, be required to supply to HM Revenue & Customs details of the payment and certain details relating to the noteholder (including the noteholder’s name and address). These provisions will apply whether or not the interest has been paid subject to withholding or deduction for or on account of U.K. income tax and whether or not the noteholder is resident in the U.K. for U.K. taxation purposes.

Where the noteholder is not so resident, the details provided to HM Revenue & Customs may, in certain cases, be passed by HM Revenue & Customs to the tax authorities of the jurisdiction in which the noteholder is resident for taxation purposes.

For the above purposes, “interest” should be taken, for practical purposes, as including payments made by a guarantor in respect of interest on the notes.

The provisions referred to above may also apply to payments made on redemption of any notes where the amount payable on redemption is greater than the issue price of the notes.

Under European Union Council Directive 2003/48/EC on the taxation of savings income, each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual (or certain other kinds of person) resident in that other Member State. However, for a transitional period, Austria and Luxembourg are currently applying a withholding system in relation to such payments, deducting tax at rates rising over time to 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

A number of non-EU countries and certain dependant or associated territories of certain Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident in a Member State. In addition, the Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident in one of those territories.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any paying agent nor any other person would be obliged to pay additional amounts to the noteholders or to otherwise compensate noteholders for the reduction in the amounts that they will receive as a result of the imposition of such withholding tax. However, the Issuer is required to maintain a paying agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the directive (if such a state exists).

Sale, Exchange and Redemption of Notes

U.K. Corporation Taxpayers

In general, a holder of notes which is subject to U.K. corporation tax will be treated for U.K. tax purposes as realizing profits, gains or losses in respect of the notes under the “loan relationship” rules in Part 5 of the Corporation Tax Act 2009 on a basis reflecting the treatment in its statutory accounts, calculated in accordance with generally accepted accounting practice. These profits, gains or losses will be taken into account in computing income for U.K. corporation tax purposes.

Exchange gains and losses on the notes will be treated for U.K. tax purposes as included within the profits, gains and losses realized in respect of the notes and thereby taxable under the loan relationship rules referred to above.

Other U.K. Taxpayers

The notes are likely to constitute “deeply discounted securities” (although arguments may be made to the contrary) and, therefore, the notes (including the U.S. dollar denominated notes) would be “qualifying corporate bonds.” Accordingly, no chargeable gain or allowable loss would arise for the purposes of U.K. capital gains tax on a transfer or redemption of such a note. However, any profit arising on the transfer or redemption of such a note by an individual holder who is resident in the United Kingdom or who carries on a trade, profession or vocation in the United Kingdom through a branch or agency to which such note is attributable would be taxed as

income (with no account being taken in calculating the profit of any costs incurred in connection with the transfer or redemption of such note or its acquisition). In calculating any profit on disposal of such a note, sterling values are likely to be compared at acquisition and transfer or redemption. Accordingly, in respect of the U.S. dollar denominated notes, a U.K. taxable profit (but no allowable loss) can arise even where the U.S. dollar amount received on a disposal is less than or the same as the amount paid for such note. No income tax relief in respect of any losses arising on transfers or redemptions of the notes will be allowed for U.K. income tax purposes. The accrued income scheme rules will not apply to any transfer of such a note on the assumption that such notes are deeply discounted securities.

If the U.S. dollar denominated notes are not deeply discounted securities, disposal of such a note by an individual holder who is resident or ordinarily resident for tax purposes in the United Kingdom or who carries on a trade, profession or vocation in the United Kingdom through a branch or agency to which such a note is attributable may give rise to a chargeable gain or allowable loss for the purposes of U.K. tax on chargeable gains, depending on individual circumstances. In calculating any gain or allowable loss on disposal of such a note, sterling values are compared at acquisition and transfer or redemption. Accordingly, a U.K. taxable gain can arise even where the U.S. dollar amount received on a disposal is less than or the same as the amount paid for such a note.

The sterling denominated notes should constitute “qualifying corporate bonds” whether or not they are deeply discounted securities. As such, a disposal of a sterling denominated note by an individual holder who is resident or ordinarily resident for tax purposes in the United Kingdom or who carries on a trade, profession or vocation in the United Kingdom through a branch or agency to which such note is attributable should not give rise to a chargeable gain or allowable loss for the purposes of U.K. tax on chargeable gains.

On a disposal of a note (if they do not constitute deeply discounted securities) any interest which has accrued since the last interest payment date (or issue) may be charged to U.K. tax as income under the rules of the accrued income scheme if that individual holder is resident or ordinarily resident in the United Kingdom or carries on a trade in the United Kingdom through a branch or agency to which such note is attributable. In respect of the U.S. dollar denominated notes, this amount would be taken into account and excluded in determining any capital gain or loss arising on disposal.

Holders who are not Resident in the United Kingdom

A body corporate, that is neither resident in the United Kingdom nor carrying on a trade in the United Kingdom through a permanent establishment will not be liable for U.K. corporation tax on profits, gains and losses on, or fluctuations in value of, the notes. Other holders of notes who are neither resident nor ordinarily resident for tax purposes in the United Kingdom and who do not carry on a trade, profession or vocation in the United Kingdom through a branch or agency to which the notes are attributable will not be liable to U.K. tax on chargeable gains realized on or profits arising on the disposal of their notes.

Stamp Duty and Stamp Duty Reserve Tax

No U.K. stamp duty or stamp duty reserve tax is payable on the issue of the notes or on a transfer of the notes.

Transfer Restrictions

The notes have not been registered under the Securities Act or any other applicable securities law and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons (as such terms are defined under the Securities Act) except pursuant to an exemption from or in a transaction not subject to the registration requirements of the Securities Act and such other securities laws. Accordingly, the notes are being offered by this offering memorandum only (a) to qualified institutional buyers, or QIBs, in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A and (b) outside the United States to persons other than U.S. persons in reliance upon Regulation S under the Securities Act.

Each purchaser of the notes, by its acceptance of this offering memorandum, will be deemed to have acknowledged, represented to, and agreed with us, the guarantors and the Initial Purchasers as follows:

- (1) The purchaser understands and acknowledges that the notes have not been registered under the Securities Act or any other applicable securities law, the notes are being offered for resale in transactions not requiring registration under the Securities Act or any other securities laws, including sales pursuant to Rule 144A or Regulation S under the Securities Act, and none of the notes may be offered, sold or otherwise transferred except in compliance with the registration requirements of the Securities Act or any other applicable securities law, pursuant to an exemption from such laws or in a transaction not subject to such laws, and in each case, in compliance with the conditions for transfer set forth in paragraph (4) below.
- (2) The purchaser acknowledges that this offering memorandum relates to an offering that is exempt from registration under the Securities Act and may not comply in important respects with SEC rules that would apply to an offering document relating to a public offering of securities.
- (3) The purchaser is not an affiliate (as defined in Rule 144 under the Securities Act) of ours, that the purchaser is not acting on our behalf and is either:
 - (a) a QIB and is aware that any sale of the notes to it will be made in reliance on Rule 144A and such acquisition will be for its own account or for the account of another QIB; or
 - (b) not a U.S. person (and was not purchasing for the account or benefit of a U.S. person) within the meaning of Regulation S under the Securities Act, and is purchasing notes in an offshore transaction in accordance with Regulation S.
- (4) The purchaser acknowledges that the Issuer, the guarantors and the Initial Purchasers or any person representing the Issuer, the guarantors or the Initial Purchasers have not made any representation to it with respect to the Issuer, the guarantors or the offering or sale of any notes, other than the information contained in this offering memorandum, which offering memorandum has been delivered to it. Accordingly, it acknowledges that no representation or warranty is made by the Initial Purchasers as to the accuracy or completeness of such materials. The purchaser has had access to such financial and other information as it has deemed necessary in connection with its decision to purchase any of the notes, including an opportunity to ask questions of and request information from the Issuer, the guarantors and the Initial Purchasers, and it has received and reviewed all information that it requested.
- (5) The purchaser is purchasing the notes for its own account, or for one or more investor accounts for which it is acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution of the notes in violation of the Securities Act, subject to any requirement of law that the disposition of its property or the property of such investor account or accounts be, at all times, within its or their control and subject to its or their ability to resell such notes pursuant to Rule 144A, Regulation S or any exemption from registration available under the Securities Act. The purchaser agrees on its own behalf and on behalf of any investor account for which it is purchasing the notes and each subsequent holder of the notes, by its acceptance of the notes, to offer, sell or otherwise transfer such notes prior to the end of the Resale Restriction Period (as defined below)

only (a) to us or any subsidiary thereof, (b) pursuant to a registration statement which has been declared effective under the Securities Act, (c) for so long as the notes are eligible for resale pursuant to Rule 144A to a person it reasonably believes is a QIB that purchases for its own account or for the account of a QIB, to whom notice is given that the transfer is being made in reliance on Rule 144A, (d) pursuant to offers and sales to non-U.S. persons that occur outside the United States within the meaning of Regulation S under the Securities Act or (e) pursuant to any other available exemption from the registration requirements of the Securities Act, subject in each of the foregoing cases to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and to compliance with any applicable state securities laws. The foregoing restrictions on resale will apply from the closing date until the date that is one year (in the case of notes issued under Rule 144A under the Securities Act) or 40 days (in the case of notes issued under Regulation S under the Securities Act) after the later of the closing date and the last date that we or any of our affiliates was the owner of the notes (the “Resale Restriction Period”), and will not apply after the applicable Resale Restriction Period ends. Each purchaser acknowledges that we and the trustee under the indenture governing the notes reserve the right prior to any offer, sale or other transfer pursuant to clause (d) prior to the end of the Resale Restriction Period of the notes to require the delivery of an opinion of counsel, certifications and/or other information satisfactory to us and the trustee.

The purchaser understands that if it is a non-U.S. person outside of the United States, the notes will be represented by a dollar Regulation S global note or sterling Regulation S global note, as applicable, and that transfers of such notes are restricted as described in this section and in the section entitled “Book-Entry Settlement and Clearance” or if it is a QIB, the notes it purchases will be represented by a dollar Rule 144A global note or a sterling Rule 144A global note, as applicable.

Each purchaser acknowledges that each certificate representing a note will contain a legend substantially to the following effect:

THE SECURITY EVIDENCED HEREBY WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION 5 OF THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND THE SECURITY EVIDENCED HEREBY MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THE SECURITY EVIDENCED HEREBY IS HEREBY NOTIFIED THAT THE SELLER MAY BE RELYING ON RULE 144A OR REGULATION S UNDER THE SECURITIES ACT. THE HOLDER OF THE SECURITY EVIDENCED HEREBY AGREES FOR THE BENEFIT OF THE COMPANY THAT (A) SUCH SECURITY MAY BE RESOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (1) (a) INSIDE THE UNITED STATES TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, (b) OUTSIDE THE UNITED STATES TO A NON-U.S. PERSON IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (c) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF APPLICABLE) OR (d) IN ACCORDANCE WITH ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (AND BASED UPON AN OPINION OF COUNSEL ACCEPTABLE TO THE COMPANY IF THE COMPANY SO REQUESTS), (2) TO THE COMPANY OR (3) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT AND, IN EACH CASE, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THE SECURITY EVIDENCED

HEREBY OF THE RESALE RESTRICTIONS SET FORTH IN CLAUSE (A) ABOVE. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 OR REGULATION S FOR RESALE OF THE SECURITY EVIDENCED HEREBY.

- (6) It acknowledges that the trustee for the notes will not be required to accept for registration of transfer of any notes acquired by them, except upon presentation of evidence satisfactory to us and the trustee that the restrictions set forth herein have been complied with.
- (7) It agrees that it will deliver to each person, to whom it transfers notes, notice of any restrictions on the transfer of such securities.
- (8) It acknowledges that the Issuer, the guarantors, the Initial Purchaser and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations, warranties and agreements and agrees that if any of the acknowledgments, representations, warranties and agreements deemed to have been made by its purchase of the notes are no longer accurate, it shall promptly notify us and the Initial Purchaser. If it is acquiring any notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such investor account and that it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such investor account.
- (9) It represents that (i) no portion of the assets used by it to acquire and hold the notes constitutes assets of any employee benefits plan or similar arrangement or (ii) the purchase and holding of the notes by it will not constitute a nonexempt prohibited transaction under Section 406 of the U.S. Employee Retirement Income Security Act of 1974, as amended, or Section 4975 of the U.S. Internal Revenue Code of 1986, as amended, or a violation under any applicable similar laws.

Plan of Distribution

We have agreed to offer the notes through the Initial Purchasers. Subject to the terms and conditions in the purchase agreement between us and the Initial Purchasers, we have agreed to sell to each Initial Purchaser, and each Initial Purchaser has severally agreed to purchase from us, the principal amount of notes set forth therein.

BNP Paribas, Deutsche Bank Securities Inc. and Deutsche Bank AG, London Branch are joint lead bookrunners, physical bookrunners and global coordinators for the offering. HSBC Securities (USA) Inc., HSBC Bank plc and The Royal Bank of Scotland plc are joint lead bookrunners for the offering. Goldman, Sachs & Co., Goldman Sachs International, J.P. Morgan Securities Ltd., UBS Securities LLC and UBS Limited are joint bookrunners for the offering.

The purchase agreement provides that the Initial Purchasers will purchase all the notes if any of them are purchased. The obligations of the Initial Purchasers under the purchase agreement, including their agreement to purchase notes from us, are several and not joint. The purchase agreement provides that the obligations of the Initial Purchasers to purchase the notes are subject to approval of legal matters by counsel and other conditions precedent.

In the purchase agreement, we have agreed that:

- We will not offer to sell any of our debt securities (other than the notes, and excluding intercompany loans, including intercompany loans in the form of convertible unsecured loan stock, any refinancing of our senior credit facility, any issuance of securities privately, and any drawdowns under our senior credit facility) for a period of 30 days after the date of this offering memorandum without the prior consent of either of the book-running lead managers for this offering, which consent shall not be unreasonably withheld.
- We will indemnify the several Initial Purchasers against certain liabilities, including liabilities under the Securities Act of 1933, or contribute to payments that the underwriters may be required to make in respect of those liabilities.

You should be aware that the laws and practices of certain countries require investors to pay stamp taxes and other charges in connection with purchase of securities.

Each purchaser of the notes offered hereby in making its purchase will be deemed to have made by its purchase acknowledgements, representation, warranties and agreements as described under “Transfer Restrictions.”

The Initial Purchasers initially propose to offer the notes at the offering price that appears on the cover page of this offering memorandum. After the initial offering, the Initial Purchasers may change the offering price and any other selling terms. The Initial Purchasers may offer and sell the notes through certain of their affiliates. The offering of the notes by the Initial Purchasers is subject to receipt and acceptance and subject to the Initial Purchasers’ right to reject any order in whole or in part.

The notes have not been registered under the Securities Act. Each Initial Purchaser has agreed that it will only offer or sell the notes (A) in the United States to qualified institutional buyers in reliance on Rule 144A under the Securities Act and (B) outside the United States to non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act. Terms used above have the meanings given to them by Rule 144A and Regulation S under the Securities Act.

In connection with sales outside the United States (other than sales pursuant to Rule 144A), the Initial Purchasers have agreed that they will not offer, sell or deliver the notes to, or for the account or benefit of, U.S. persons (i) as part of the Initial Purchasers’ distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering or the date the notes are originally issued. The Initial Purchasers will send to each dealer to whom they sell such notes during such 40-day period a confirmation or other notice setting forth the restrictions on offers and sales of the notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, with respect to notes initially sold pursuant to Regulation S under the Securities Act, until 40 days after the later of the commencement of this offering or the date the notes are originally issued, an offer or sale of such notes within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

The notes are a new issue of securities, and there is currently no established trading market for the notes. The Initial Purchasers have advised us that they intend to make a market in the notes, but they are not obligated to do so. The Initial Purchasers may discontinue any market making in the notes at any time in their sole discretion. Accordingly, we cannot assure you that a liquid trading market will develop for the notes, that you will be able to sell your notes at a particular time or that the prices that you receive when you sell will be favorable.

We will make an application to list the notes to the Official List of the Luxembourg Stock Exchange and for the admission of the notes to trading on the Euro MTF market of the Luxembourg Stock Exchange.

In connection with this offering of the notes, the Initial Purchasers may engage in over-allotments, stabilizing transactions and syndicate covering transactions in accordance with Regulation M under the Exchange Act and applicable rules of the U.K. Financial Services Authority. Over-allotment involves sales in excess of the offering size, which creates a short position for the Initial Purchasers. Stabilizing transactions involve bids to purchase the notes in the open market for the purpose of pegging, fixing or maintaining the price of the notes, as applicable. Short covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover short positions. Stabilizing transactions and short covering transactions may cause the price of the notes to be higher than it would otherwise be in the absence of those transactions. If the Initial Purchasers engage in stabilizing or short covering transactions, they may discontinue them at any time. The Initial Purchasers also may impose a penalty bid. This occurs when a particular Initial Purchaser repays to the Initial Purchasers a portion of the Initial Purchasers' discount received by it because the representatives have repurchased notes sold by or for the account of such Initial Purchaser in stabilizing or short covering transactions.

We expect that delivery of the notes will be made against payment therefor on or about March 3, 2011, which will be the fifth business day following the date of the pricing of the notes (such settlement cycle being herein referred to as "T+5"). Under Rule 15c-6-1 under the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade notes on the date of pricing or the next four succeeding business days will be required, by virtue of the fact that the notes initially will settle T+5, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of notes who wish to trade notes on the date of pricing or the next four succeeding business days should consult their own advisor.

The Initial Purchasers and their respective affiliates are full service financial institutions engaged in various activities, including securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The Initial Purchasers and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the Issuer, for which they received or will receive customary fees and expenses. Certain of the Initial Purchasers or their respective affiliates have arranged and made loans to subsidiaries of Virgin Media Inc. under its senior facilities agreement and received fees in relation to arranging such loans. The net proceeds of the issuance and the sale of the notes will be applied to repay loans made under the senior facilities agreement, and hence a portion of the proceeds will be received by the Initial Purchasers or their respective affiliates in repayment of their loans held by them.

In the ordinary course of their various business activities, the Initial Purchasers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and such investment and securities activities may involve securities and/or instruments of the Issuer. The Initial Purchasers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Notice to European Economic Area Investors

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”), each Manager has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “Relevant Implementation Date”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Memorandum to the public in that Relevant Member State other than:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Notes to the public” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

Notice to United Kingdom Investors

Each Initial Purchaser has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the U.K. Financial Services and Markets Act 2000, or FSMA) received by it in connection with the issue or sale of the notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the guarantors; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the notes in, from or otherwise involving the United Kingdom.

Notice to Hong Kong Investors

The notes may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a “prospectus” within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), and no advertisement, invitation or document relating to the notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Notice to Japan Investors

The securities have not been and will not be registered under the Securities and Exchange Law of Japan (the Securities and Exchange Law) and each Initial Purchaser has agreed that it will not offer or sell any securities,

directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

Notice to Singapore Investors

This offering memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this offering memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes may not be circulated or distributed, nor may the notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore, or the SFA, (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the notes are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the notes under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

Legal Matters

The validity of the notes offered hereby and certain other legal matters under U.S. law and English law will be passed upon for us by Fried, Frank, Harris, Shriver & Jacobson (London) LLP, London, England. The validity of the notes will be passed upon for the Initial Purchasers by Simpson Thacher & Bartlett LLP.

Independent Registered Public Accounting Firm

The consolidated financial statements and financial statement schedule of Virgin Media Inc. and subsidiaries, and the effectiveness of Virgin Media Inc. and subsidiaries' internal control over financial reporting as of December 31, 2010, and the consolidated financial statements of Virgin Media Investment Holdings Limited and subsidiaries, and Virgin Media Investments Limited and subsidiaries included in its Annual Report on Form 10-K for the year ended December 31, 2010 dated February 22, 2011, have been audited by Ernst & Young LLP, an independent registered public accounting firm, as set forth in its reports thereon, included therein, which are incorporated by reference into this offering memorandum.

Enforceability of Civil Liabilities

The Issuer is a public limited company incorporated under the laws of England and Wales with its registered office and principal place of business in England. Most of the guarantors are incorporated under the laws of England and Wales, and most of the assets held by the guarantors are located within England and Wales. As a result, it may not be possible for you to recover payments of principal, premium, interest, Additional Amounts or purchase price with respect to the notes or other payments or claims in the United States upon judgments of U.S. courts for any such payments or claims. The United States and England do not currently have a treaty providing for the reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Therefore, a final judgment for the payment of a fixed debt, sum of money, payment or claim rendered by any U.S. court based on civil liability, whether or not predicated solely upon the U.S. federal

securities laws, would not automatically be enforceable in England. In order to enforce such a U.S. judgment in England, proceedings must be initiated by way of common law action before a court of competent jurisdiction in England. In the case of any judgment by any U.S. court, an English court will, subject to what is said below, normally order summary judgment on the basis that there is no defense to the claim for payment and will not reinvestigate the merits of the original dispute and therefore will treat the U.S. judgment as creating a valid debt upon which the judgment creditor could bring an action for payment any relevant assets of the Issuer and any of the guarantors, as long as, among other things:

- the U.S. court had jurisdiction over the original proceeding;
- the judgment is final and conclusive on the merits;
- the judgment does not contravene English public policy;
- the judgment must not be for a tax, penalty or a judgment arrived at by doubling, trebling or otherwise multiplying a sum assessed as compensation for the loss or damage sustained; and
- the judgment has not been obtained by fraud or in breach of the principles of natural justice.

Based on the foregoing and subject to matters referred to in “Description of the Intercreditor Deeds,” there can be no assurance that you will be able to enforce in England judgments in civil and commercial matters obtained in any U.S. court. There is doubt as to whether an English court would impose civil liability in an original action predicated solely upon the U.S. federal securities laws brought in a court of competent jurisdiction in England.

Listing and General Information

Listing

The Issuer will make an application to list the notes on the Official List of the Luxembourg Stock Exchange and for admission to trading on the Euro MTF market of the Luxembourg Stock Exchange in accordance with the rules of that exchange. Notice of any optional redemption, change of control or any change in the rate of interest payable on the notes will be published in a Luxembourg newspaper of general circulation, which is expected to be the *Luxemburger Wort*, or on the website of the Luxembourg Stock Exchange (www.bourse.lu).

For so long as the notes are listed on the Luxembourg Stock Exchange and the rules of that exchange require, copies of the following documents, including any future amendments, may be inspected and obtained at the specified office of the listing agent in Luxembourg during normal business hours on any weekday:

- the organizational documents of the Issuer;
- our most recent audited consolidated financial statements and any interim quarterly financial statements we publish;
- this offering memorandum;
- the purchase agreement relating to the notes; and
- the indenture relating to the notes, which includes the form of the notes.

For so long as the notes are listed on the Luxembourg Stock Exchange and the rules of that exchange require, copies of the articles of incorporation and bylaws, or other constitutional documents as applicable, of the Issuer and each of the guarantors will be available free of charge at the offices of the paying agent in Luxembourg.

The Issuer will maintain a paying and transfer agent in Luxembourg for as long as any of the notes are listed on the Luxembourg Stock Exchange. The Issuer reserves the right to vary such appointment and we will publish notice of such change of appointment in a newspaper having a general circulation in Luxembourg, which is expected to be the *Luxemburger Wort*, or on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Our fiscal year ends December 31. The Issuer files its statutory annual accounts with the Companies House of England and Wales but does not otherwise publish its financial statements. Virgin Media Inc. currently prepares consolidated annual and quarterly reports pursuant to the Exchange Act. Virgin Media Investment Holdings Limited publishes its annual and quarterly reports pursuant to the Exchange Act and files its statutory annual accounts with the Companies House of England and Wales. None of the other guarantors currently publishes financial statements. Virgin Media Inc.'s most recent audited consolidated financial statements and interim quarterly financial statements are available free of charge at the office of our Luxembourg paying agent. Virgin Media Inc.'s financial statements will be made available free of charge at the office of our Luxembourg paying agent.

Clearing information

Rule 144A Notes:

The CUSIP number assigned to the dollar denominated notes issued under Rule 144A is 92769X AE5 and the ISIN number is US92769XAE58.

The ISIN number assigned to the sterling denominated notes issued under Rule 144A is XS0597902260 and the common code is 059790226.

Regulation S Notes:

The CUSIP number assigned to the dollar denominated notes issued under Regulation S is G9372G AC2 and the ISIN number is USG9372GAC27.

The ISIN number assigned to the sterling denominated notes issued under Regulation S is XS0597901965 and the common code is 059790196.

Legal information

The Issuer is a public limited company incorporated on December 18, 2009 under the laws of England and Wales. The issued share capital of the issuer is £50,000, divided into 50,000 fully paid ordinary shares of £1 each. The authorized share capital of the Issuer is £50,000 divided into 50,000 ordinary shares of £1 each. Its registered address is 160 Great Portland Street, London W1W 5QA, United Kingdom. The directors of the Issuer are Robert Gale and Robert Mackenzie. The directors can be contacted at the registered address of the Issuer.

The creation and issuance of the notes and the execution of the indenture has been authorized by a resolution of the Issuer's board of directors passed at a meeting of the Issuer's board of directors held on February 10, 2011. The guarantees have been authorized by written resolutions or unanimous written consents of the board of directors, or equivalent body, where applicable, of each of the guarantors.

Virgin Media Inc. was incorporated on November 12, 2003 under the laws of the State of Delaware, United States of America. Its issued share capital is divided into 330,750,544 fully paid, non-assessable shares of common stock with a par value of \$0.01 as of January 8, 2010. Its authorized share capital is 1,305,000,000 shares, consisting of 1,000,000,000 shares of common stock, 300,000,000 shares of Class B redeemable common stock and 5,000,000 shares of preferred stock, with a par value of \$0.01 per share.

Virgin Media Finance PLC was incorporated on March 3, 2004 under the laws of England and Wales. Its issued share capital is £92,456, divided into 92,456 fully paid ordinary shares of £1.00 each. Its authorized share capital is £5,000,000, divided into 5,000,000 ordinary shares of £1.00 each. Its registered address is 160 Great Portland Street, London W1W 5QA, United Kingdom. Its directors are Robert Gale and Robert Mackenzie. The directors can be contacted at the company's registered address.

VMIH was incorporated on March 15, 1996 under the laws of England and Wales. Its issued share capital is £225 divided into 224,552 fully paid ordinary shares of £0.001 each. Its authorized share capital is £1,000 divided into 1,000,000 ordinary shares of £0.001 each. Its registered address is at 160 Great Portland Street, London W1W 5QA, United Kingdom. Its directors are Robert Gale and Robert Mackenzie. The directors can be contacted at the company's registered address.

Schedule I

List of Guarantors

Avon Cable Joint Venture	NTL Cablecomms Staffordshire	Telewest Communications
Barnsley Cable Communications Limited	NTL Cablecomms Stockport	(Motherwell) Limited (1)
BCMV Limited	NTL Cablecomms Surrey	Telewest Communications (North East) Partnership
Birmingham Cable Limited	NTL Cablecomms Sussex	Telewest Communications Networks Limited
Cable Camden Limited	NTL Cablecomms Wessex	Telewest UK Limited
Cable Enfield Limited	NTL Cablecomms Wirral	Virgin Media Business Limited
Cable Hackney & Islington Limited	NTL Cambridge Limited	Virgin Media Finance PLC
Cable Haringey Limited	NTL Glasgow (1)	Virgin Media Inc. (2)
Doncaster Cable Communications Limited	NTL Kirklees	Virgin Media Investment Holdings Limited
Eurobell (South West) Limited	NTL Midlands Limited	Virgin Media Investments Limited
Eurobell (Sussex) Limited	NTL Wirral Telephone and Cable TV Company	Virgin Media Limited
Eurobell (West Kent) Limited	Sheffield Cable Communications Limited	Virgin Media Payments Ltd
Eurobell Internet Services Limited	Telewest Communications (Cumbernauld) Limited (1)	Virgin Media SFA Finance Limited
Halifax Cable Communications Limited	Telewest Communications (Dumbarton) Limited (1)	VMWH Limited
Middlesex Cable Limited	Telewest Communications (Dundee & Perth) Limited (1)	Virgin Media Wholesale Limited
NTL Business Limited	Telewest Communications (Falkirk) Limited (1)	Virgin Mobile Group (UK) Limited
NTL Cablecomms Bolton	Telewest Communications (Glenrothes) Limited (1)	Virgin Mobile Holdings (UK) Limited
NTL Cablecomms Bromley	Telewest Communications (London South) Joint Venture	Virgin Mobile Telecoms Limited
NTL Cablecomms Bury and Rochdale	Telewest Communications (Midlands & North West) Limited	Virgin Net Limited
NTL Cablecomms Cheshire	Telewest Communications (Midlands) Limited	VMIH Sub Limited
NTL Cablecomms Derby		Wakefield Cable Communications Limited
NTL Cablecomms Greater Manchester		X-TANT Limited
NTL Cablecomms Macclesfield		
NTL Cablecomms Oldham and Tameside		
NTL Cablecomms Solent		

Guarantors are incorporated or organized in England and Wales, except where indicated as follows:

- (1) Scotland
- (2) Delaware

Virgin Media Secured Finance PLC

\$500,000,000 5.25% Senior Secured Notes due 2021
£650,000,000 5.50% Senior Secured Notes due 2021



Joint Lead Bookrunners

BNP PARIBAS
*Physical Bookrunner &
Global Coordinator*

Deutsche Bank
*Physical Bookrunner &
Global Coordinator*

HSBC

RBS

Joint Bookrunners

Goldman, Sachs & Co.

J.P. Morgan

UBS Investment Bank