

KANE REECE ASSOCIATES, INC.
Financial Advisors for NTL Incorporated, et al.
822 South Avenue West
Westfield, New Jersey 07090-1460
(908) 317-5757
Robert E. Ott

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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- :
: Chapter 11
In re :
: Case No. 02-41316 (ALG)
NTL INCORPORATED, et al., :
: Jointly Administered
Debtors. :
x

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SUMMARY SHEET FOR FINAL FEE APPLICATION
OF KANE REECE ASSOCIATES, INC.
PURSUANT TO 11 U.S.C. § 330 AND FED. R. BANKR. P. 2016(a)
FOR FINAL ALLOWANCE OF COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
FOR THE PERIOD FROM MAY 8, 2002 THROUGH SEPTEMBER 5, 2002

Applicant: Kane Reece Associates, Inc.

Authorized To Provide
Services To: NTL Incorporated, et al.

Date Of Entry Of Order
Authorizing Retention: May 10, 2002 (became final on June 12,
2002)

Fees/Expenses Previously
Requested: None

Fees/Expenses Previously Awarded: None

Amount Of Retainer: None

Application Period: May 8, 2002 through September 5, 2002

Amount Of Compensation Sought As Actual, Reasonable, And Necessary: \$122,487.50

Amount Of Expense Reimbursement Sought As Actual, Reasonable, And Necessary: \$380.65

Total Amount Requested As Compensation And Expense Reimbursement: \$122,868.15

This is a(n) interim final application

PROFESSIONALS WHOSE TIME WAS CHARGED TO THE DEBTORS

<u>NAME</u>	<u>YEAR OF ADMISSION</u>	<u>RATE</u>	<u>HOURS</u>	<u>AMOUNT</u>
<u>PARTNERS</u>				
Robert E. Ott		\$400	167.50	\$67,000.00
Frederick H. Bliss		\$400	58.0	23,200.00
	Total Partners		225.50	90,200.00\$
<u>ASSOCIATES</u>				
David K. Bivins		\$300	4.0	\$1,200.00
James W. Cuddihy		\$300	7.0	2,100.00
Brian A. Dougherty		\$300	64.0	19,200.00
	Total Associates		75.0	\$22,500.00

PARAPROFESSIONALS				
Brian W. Withka	n/a	\$225	6.0	\$1,350.00
Jessica M. DiLeo	n/a	\$125	53.5	6,687.50
Kathleen L. Alonzo	n/a	\$125	14.0	1,750.00
	Total Para-Professionals		73.5	\$9,787.50
	TOTAL		374.0	\$122,487.50
BLENDED HOURLY RATE				\$327.50

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In Re	Chapter 11
NTL INCORPORATED, <u>et al.</u> ,	Case No. 02-41316(ALG)
Debtors.	Jointly Administered

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FINAL APPLICATION OF KANE REECE ASSOCIATES, INC. FOR FEES FOR
PROFESSIONAL SERVICES RENDERED AND DISBURSEMENTS
INCURRED AS FINANCIAL ADVISORS FOR THE DEBTORS
FOR THE PERIOD FROM MAY 8, 2002 THROUGH SEPTEMBER 5, 2002

I.

Introduction

Kane Reece Associates, Inc. (“Kane Reece”), Financial Advisors for NTL Incorporated (“NTL” or the “Company”) and certain of its subsidiaries, debtors and debtors-in-possession in the above-captioned jointly administered reorganization cases (collectively, the “Debtors”), hereby submits this final application for fees and disbursements for the period from May 8, 2002 through September 5, 2002 (the “Fee Period”), in accordance with the Administrative Order Under 11 U.S.C. §§105 and 331 Establishing Procedures For Interim Monthly Compensation and Reimbursement Of Expenses Of Professionals, entered by this Court on June 14, 2002.

Pursuant to an order of this Court dated September 27, 2002, Kane Reece was retained by the Debtors, nunc pro tunc to May 8, 2002, to provide financial advising services. The rates set forth below are the hourly fee rates used by Kane Reece and reflected in our engagement letters dated May 6, 2002 and agreed upon with the Company.

II.

Time Summary For Interim Statement Of
Kane Reece Associates, Inc.
For The Period From May 8, 2002 Through September 5, 2002

FINANCIAL ADVISOR SERVICES			
<u>NAME</u>	<u>RATE</u>	<u>HOURS</u>	<u>AMOUNT</u>
<u>PARTNERS</u>			
Bliss, Frederick	\$400	58.0	\$23,200.00
Ott, Robert	\$400	167.5	67,000.00
Partners Total		225.50	<u>\$90,200.00</u>
<u>ASSOCIATES</u>			
Bivins, David	300	4.0	\$ 1,200.00
Cuddihy, James	300	7.0	2,100.00
Dougherty, Brian	300	64.0	19,200.00
Associates Total		75.0	<u>\$22,500.00</u>
<u>PARAPROFESSIONALS</u>			
Withka, Brian	225	6.0	\$ 1,350.00
DiLeo, Jessica	125	53.5	6,687.50
Alonzo, Kathleen	125	14.0	1,750.00
Paraprofessionals Total		73.50	<u>\$9,787.50</u>
Financial Advisors Total		374.0	<u>\$122,487.50</u>
BLENDDED HOURLY RATE			\$327.50

A complete itemization of tasks performed by the aforementioned professionals during the Fee Period and a time summary of charges attributable to such professionals for each time matter are attached hereto in Exhibits A, B, and C. Exhibit A contains the Certification. Exhibit B contains the declaration Under Fed. R. Bankr, P. 2016. Exhibit C contains Retention Order. Exhibit D contains the time detail for Kane Reece professionals for Financial Advisor services.

III.

Disbursements

Expenses:	
Database Charges	\$ 200.00
Meals	53.03
Transportation	46.40
Telephone	17.57
Postage & Federal Express Charges	<u>63.65</u>
Total Tax Expenses	<u>\$ 380.65</u>

A complete itemization of disbursements for the Fee Period is included with the time detail in Exhibit D.

IV.

Brief Description Of Services Rendered

During the Fee Period, Kane Reece, among other things, performed the following services for the Debtors:

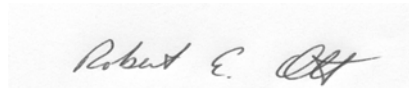
Kane Reece assisted the Debtors in preparation of the Debtors' liquidation analysis to be included in the Debtors' disclosure statement. Additionally, Kane Reece assisted the Debtors in the preparation for the hearing on confirmation of the Debtors' Plan in respect of

the liquidation analysis. Robert E. Ott prepared for and attended the hearing on confirmation of the Debtors' Plan.

WHEREFORE, the Firm respectfully requests that the Court enter an order granting it (a) compensation for professional services rendered as Financial Analysts for NTL during the Application Period in the sum of \$122,487.50, plus reimbursement of actual and necessary expenses incurred in the sum of \$380.65, and (b) such other and further relief as is just.

Dated: Westfield, New Jersey
February 5, 2003

KANE REECE ASSOCIATES, INC.



/s/

ROBERT E. OTT

822 South Avenue W.
Westfield, NJ 07090

Index of Exhibits

Exhibit A	-	Certification
Exhibit B	-	Declaration Under Fed. R. Bankr. P. 2016
Exhibit C	-	Retention Order
Exhibit D	-	Time & Disbursement Detail

EXHIBIT A
Certification

KANE REECE ASSOCIATES, INC.
Financial Advisors for NTL Incorporated, et al.
822 South Avenue West
Westfield, New Jersey 07090-1460
(908) 317-5757
Robert E. Ott

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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CERTIFICATION

In accordance with the Administrative Order of this Court, dated June 20, 1991, as amended on April 19, 1995, setting forth the guidelines for fees and disbursements for professionals in the Southern District of New York bankruptcy cases and the United States Trustee guidelines for compensation and reimbursement of expenses (collectively, the "Guidelines"), I certify that:

1. I am a partner of Kane Reece Associates, Inc. ("Applicant" or "Kane Reece"), financial advisors for the above-captioned Debtors. This certification is made pursuant to the Guidelines referenced above in support of Kane Reece's final application (the "Application") for fees and disbursements for the period from May 8, 2002 through September 5, 2002.¹

2. I have read the Application and to the best of my knowledge, information, and belief formed after reasonable inquiry, the fees and disbursements sought in the Application are reasonable, necessary, incidental to the services performed, and comply with the mandatory guidelines set forth in the Guidelines and applicable law.

3. The fees and disbursements sought by Kane Reece are billed at rates and in accordance with practices customarily employed by Applicant and generally accepted by Applicant's clients.

4. The U.S. Trustee, the Debtors and the Creditors' Committee have been provided with Kane Reece's monthly fee statements containing a list of professionals and paraprofessionals providing services, the number of hours spent by each professional and paraprofessional in providing services, a general description of the services rendered, and a reasonably detailed break down of the disbursements incurred.

5. To the best of my knowledge, information and belief, formed after reasonable inquiry, Applicant made every effort to comply with the Guidelines as to the recording of time by Applicant's professionals and paraprofessionals.

¹ Unless otherwise defined, capitalized terms used herein shall have the meanings ascribed to them in the Application.

6. In connection with Applicant's request for reimbursement of services and out-of-pocket expenses, I certify that, to the best of my knowledge, information and belief, formed after reasonable inquiry, (a) Kane Reece does not make a profit on those expenses for which reimbursement is sought in this Application; (b) Kane Reece has not included in the amounts billed for such services any amounts for amortization of the cost of any investment, equipment, or capital outlay; and (c) the amounts billed for purchases or services from outside third-party vendors are billed in the amount paid by Applicant to such vendors.

7. The U.S. Trustee, the Debtors, and the Creditors' Committee will be provided with a copy of the Application at least 20 days prior to the hearing on the Application. Pursuant to the Interim Compensation Order, the U.S. Trustee, the Debtors, and the Creditors' Committee were provided with periodic monthly statements of fees and expenses which contained the same time and expense details contained herein, more than ten days prior to the date set by the Court or any applicable rules for filing fee applications.

Dated: New York, New York
February 5, 2003

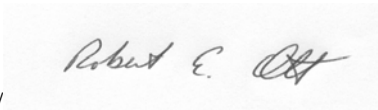

/s/ _____
ROBERT E. OTT

EXHIBIT B

Declaration Under Fed. R. Bankr. P. 2016

KANE REECE ASSOCIATES, INC.
Financial Advisors for NTL Incorporated, et al.
822 South Avenue West
Westfield, New Jersey 07090-1460
(908) 317-5757
Robert E. Ott

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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: Chapter 11
In re :
: Case No. 02-41316 (ALG)
NTL INCORPORATED, et al., :
: Jointly Administered
Debtors. :
----- x

DECLARATION UNDER FED.R.BANKR.P.2016

ROBERT E. OTT declares as follows:

1. I am a member of the firm of Kane Reece Associates, Inc. (“Kane Reece”), which maintains offices for the practice of Financial Analysis at 822 South Avenue West, Westfield, New Jersey 07090.
2. Kane Reece has acted as Financial Analysts for, and rendered professional services in this case to, NTL Incorporated (“NTL”) and certain of its subsidiaries (collectively, the “Debtors”) in the above-captioned jointly administered Chapter 11 cases. I submit this declaration in support of Kane Reece’s application, dated February 7, 2003 (the “Final Application”), seeking final allowance of compensation and reimbursement of expenses under 11 U.S.C. § 330 and Fed.R.Bankr.P.2016 for all fees and expenses for the period from May 8, 2002 through September 5, 2002 (the “Application Period”).

3. The compensation sought in the Application is based on the standard hourly Partner, Associate and Paraprofessional fee rates used by Kane Reece Associates, Inc.
4. No agreement or understanding exists between Kane Reece and any other persons for the sharing of compensation received or to be received for professional services rendered in or in connection with this case, nor will any be made except as permitted under 11 U.S.C. § 504(b)(1).
5. Kane Reece has not filed any previous requests for allowance of interim compensation and/or reimbursement of expenses in this case. As of January 31, 2003, pursuant to the Court's order, entered June 17, 2002, establishing procedures for interim compensation and reimbursement of expenses of professionals, Kane Reece had received \$97,990.00 as compensation for services rendered to, and \$380.65 as reimbursement of expenses incurred on behalf of, the Debtors during the Application Period.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: Westfield, New Jersey
February 5, 2003

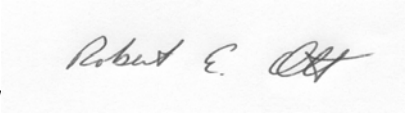

/s/ _____
ROBERT E. OTT

EXHIBIT C
Retention Order

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

----- x
In re : Chapter 11
: :
NTL INCORPORATED, et al., : Case No. 02-41316 (ALG)
: :
Debtors. : (Jointly Administered)
: :
----- x

INTERIM AND FINAL ORDER UNDER 11 U.S.C. §§ 327(a) AND 328,
AND FED. R. BANKR P. 2014 AND 2016, AUTHORIZING EMPLOYMENT AND
RETENTION OF THE KANE REECE ASSOCIATES, INC. AS
FINANCIAL ADVISORS FOR DEBTORS-IN-POSSESSION

Upon the application, dated May 8, 2002 (the "Application"),¹ of NTL Incorporated ("NTL") and certain of its subsidiaries and affiliates (the "Affiliate Debtors"), debtors and debtors-in-possession (collectively, the "Debtors"), for an order under 11 U.S.C. §§ 327(a) and 328 and Fed. R. Bankr. P. 2014 and 2016 authorizing the employment and retention of The Kane Reece Associates, Inc. ("Kane Reece" or the "Firm") under a general retainer as the Debtors' financial advisors; and the Court having reviewed the Application and the affidavit and statement of Robert E. Ott, a partner of Kane Reece, sworn to May 7, 2002 (the "Ott Affidavit"), in support of the Application; and it appearing that (i) Kane Reece represents no interest adverse to the Debtors' estates with respect to

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Application.

the matters upon which it is to be employed, (ii) Kane Reece is a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code, as modified by section 1107(b), and (iii) the employment and retention of Kane Reece on the terms and conditions set forth in the Application and the Ott Affidavit is necessary and in the best interests of the Debtors, their estates, their creditors, and other parties-in-interest; and it appearing further that proper and adequate notice of the Application has been given and that no other or further notice is necessary; and upon the record herein; and after due deliberation; and sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Application is GRANTED.
2. Pursuant to sections 327(a) and 328 of the Bankruptcy Code, the Debtors are authorized to retain Kane Reece as their financial advisors under a general retainer as of the commencement of these cases, to perform the services set forth in the Application.
3. Kane Reece shall be compensated in accordance with the procedures set forth in the Bankruptcy Code, the Bankruptcy Rules, the Local Rules of the Bankruptcy Court for the Southern District of New York, the United States Trustee Guidelines, and the orders of this Court.

4. The Debtors shall serve notice of entry of the Interim Order (the "Order") on the United States Trustee, the Debtors' top unsecured creditors, and all parties that have filed requests for notices pursuant to Fed. R. Bankr. P. 2002, within five (5) business days after entry of this Order on the docket. Such notice shall provide that any objections, if any, to the relief requested in the Application or granted in this Order must be filed no later than June 11, 2002 at 4:00 p.m. (Eastern Time) (the "Objection Deadline").

5. If an objection is timely filed and served so as to be received on or before the Objection Deadline, such objection shall be set for hearing on June 14, 2002 at 10:00 a.m. (Eastern Time). This Order, and all acts taken in furtherance of or reliance upon this Order, shall be effective notwithstanding the filing of an objection. No such act shall be invalidated solely because of the filing or subsequent approval of an objection.

6. In the event that no objection to the Application or this Order is timely filed and served, there will be no hearing on the Application or this Order and this Order shall be deemed a final order, of its own accord, as of the day immediately following the Objection Deadline, without further hearing or order of this Court.

7. The requirement under Local Bankruptcy Rule 9013-1(b) that any application filed shall be accompanied by a separate memorandum of law is deemed satisfied by the Application.

Dated: New York, New York
May 10, 2002

/s/ Allan L. Gropper
UNITED STATES BANKRUPTCY COURT

EXHIBIT D

Time & Disbursement Detail

Exhibit D
Itemization of Tasks Performed and a Time Summary of Charges
by Kane Reece Professionals and Paraprofessionals

1328
NLT, Inc.
Invoice #13280A

Date	Associate	Hours	Rate	Total	Description
5/6/02	BAD	4.00			Analysis of current NTL business unit Models; Compare to historical
5/7/02		6.00			Broadcast DCF model, Business Model, Investment model
5/8/02		7.00			Discount Rates, exchange rates, eKabel and B2 valuation model
5/9/02		13.00			Broadcast DCF model investment model, initial write up of values
5/10/02		7.00			Analysis of cash balance of Ntl for 5/1/02
5/13/02		4.00			Noos valuation model development
5/14/02		1.00			Math check numbers
5/16/02		4.00			Liquidation value summary, employee costs, projections
5/17/02		8.00			Research Trustee Case Law, Conference Call regarding formating, cash current assets & current liabilities analysis (as of 8/31/02)
5/21/02		4.00			Conference call with management and representatives regarding draft report
5/22/02		5.00			edit draft report
		<u>63.00</u>			
			300.00	18,900.00	
5/8/02	DKB	3.00			review March 2002 business svces. Mgmt
5/9/02		1.00			report, prelim revisions to bus svces model
		<u>4.00</u>			
			300.00	1,200.00	
5/6/02	FHB	8.00			Liquidation Analysis and Review and report writing
5/7/02		8.00			Liquidation Analysis and Review and report writing
5/8/02		8.00			Liquidation Analysis and Review and report writing
5/9/02		8.00			Liquidation Analysis and Review and report writing
5/10/02		3.00			Meeting at Ntl office in NYC
5/11/02		7.00			Liquidation Analysis and Review and report writing
5/13/02		3.00			Liquidation Analysis and Review and report writing
5/14/02		3.00			Report writing and review
5/17/02		7.00			Report writing and review
5/21/02		2.00			Report writing and review
5/22/02		1.00			Report writing and review
		<u>58.00</u>			
			400.00	23,200.00	
5/6/02	JWC	7.00			Analysis of NTL net book value and their aspects on European tangible
			300.00	2,100.00	
5/2/02	REO	5.00			Prepare document for court approval of Kane Reece engagement and identify scope of work to perform; prepare list of info/documants ___ from
5/3/02		5.00			NTL; conference call with NTL management and representatives
5/5/02		4.00			Review NTL business plan projections and historical board practices.
5/6/02		7.00			Review and analysis of various NTL 10K reports; review liquidation analysis writeups.
5/7/02		8.00			Analysis of NTL & subsibieries for year 2001 personal/sp results; prepare draft liquidation value language
5/8/02		12.00			Review and analysis of management reports for year end 2001 by business segment; market & DCF analysis
5/9/02		8.00			Review & analysis of NTL minority interest holdings; conference calls with various NTL management; prepare draft analysis of liquidation analysis by reporting Unit and draft report
5/10/02		6.00			Meeting at Ntl office in NYC
5/11/02		8.00			Discussion with NTL tax dept. regarding potential tax basis of units; analysis of debt balances by entity.
5/12/02		3.00			Review latest disclosure statement
5/13/02		7.00			Prepare & _____ draft report text language
5/14/02		6.00			Analysis preparation of liquidation analysis schedules and values; update cash balances to May 8th.
5/15/02		7.00			Review updated NTL plan and disclosure documents; Liquidation analysis; discussions with management.
5/16/02		8.00			Analaysis of liquidation period expenses for admin, mortgage, etc.

**Exhibit D
Itemization of Tasks Performed and a Time Summary of Charges
by Kane Reece Professionals and Paraprofessionals**

5/17/02	10.00		Preparation of liquidation analysis, report and analysis.
5/19/02	3.00		Review and update draft report & liquidation
			Review & analysis of EuroCo and UKCo projections; Discuss with
5/20/02	12.00		management on heirarchy of debt seniority and priority of claims.
5/21/02	10.00		Final liquidation report analysis prep
5/22/02	10.00		Final liquidation report issue
5/23/02	3.00		Organization of data, report, files, etc.
			Review Interim Fed order; review billing file and coordinate preparation of
6/19/02	2.00		invoice.
	<u>144.00</u>		
		400.00	57,600.00

5/8/02 JMD	8.00		Set up word processing file; begin typing report;
5/9/02	8.00		typing; sent draft copy
5/10/02	6.00		typing;
5/11/02	3.00		typing;
5/13/02	7.00		typing; draft sent
5/15/02	4.00		typing; format report
5/16/02	3.50		typing; prep of exhibits
5/20/02	8.00		typing; set up adobe file
5/21/02	6.00		typing; e-mail report
	<u>53.50</u>		
		125.00	6,687.50

5/10/02 KLA	2.00		typing;
5/17/02	4.00		typing;
6/18/02	4.00		Analysis of billing for Ntl
6/19/02	4.00		draft bill
	<u>14.00</u>		
		125.00	1,750.00

Total Fee 1328		111,437.50	
Expenses		<u>284.51</u>	
Total Invoice 13280A		111,722.01	

Exhibit D
Itemization of Tasks Performed and a Time Summary of Charges
by Kane Reece Professionals and Paraprofessionals

1328
 NTL, Inc.
 Invoice #13280B

Date	Associate	Hours	Rate	Total	Description
8/27/02	BAD	<u>1.00</u>			Review and proof liquidation analysis
		1.00		300.00	
				300.00	
8/15/02	REO	1.00			Review Liquidation Analysis and preparation of Affidavit Draft
8/23/02		1.00			Preparation of Affidavit Draft
8/26/02		4.00			
8/27/02		3.00			Preparation of Affidavit for Hearing, review and proof of liquidation values,
8/28/02		1.00			conference call with attorneys; review of liquidation analysis.
8/30/02		2.00			
9/4/02		5.50			Preparation, rehearsal @ Skaddren Arps and Court appearance for
9/5/02		<u>6.00</u>			Confirmation Hearing
		23.50			
			400.00	9,400.00	

	100% Fee	80% Fee
	100%Expense	100% Expense
Total Fee 1328	\$ 9,700.00	\$ 7,760.00
Expenses	<u>106.83</u>	<u>106.83</u>
Total Invoice 13280B	\$ 9,806.83	\$ 7,866.83

Breakdown of Expenses

Date	Amount	Description
6/20/02	42.96	Fedex - Invoices (4@\$10.74 - Marafioti, Lubasch, Schwartz, Scheler)
6/30/02	1.05	AT&T long distance charges
7/30/02	0.33	AT&T long distance charges
8/30/02	3.90	AT&T long distance charges
9/4-9/5/02	37.90	REO Travel Expense
8/30/02	<u>20.69</u>	Fedex - Affidavit (Markus)
	106.83	