

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re NTL, INC., <u>et al.</u> , Debtors.	Chapter 11 Case Nos. 02-41316 (ALG) Jointly Administered
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SUMMARY SHEET FOR FINAL FEE APPLICATION OF TRAVERS SMITH
BRAITHWAITE 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 MAY 8, 2002 THROUGH SEPTEMBER 5, 2002

Applicant:	Travers Smith Braithwaite
Authorized to Provide Professional Services to:	NTL Incorporated, et al., Debtors and Debtors-in- Possession
Date of Entry of Order Authorizing Retention:	May 10, 2002 (became final on June 12, 2002)
Fees/Expenses Previously Requested:	None
Fee/Expenses Previously Awarded:	None
Amount of Retainer:	Nil
Application Period:	May 8, 2002 through 5 September 2002

Amount of Compensation Sought
As Actual, Reasonable And
Necessary: £670,502.00

Amount of Expense Reimbursement
Sought As Actual, Reasonable And
Necessary: £17,693.49

Total Amount Requested As
Compensation And Expense
Reimbursement: £688,195.49

This is a(n): interim final application.

Served upon:

NTL Incorporated (Attention: Richard J. Lubasch, Esq.)

Skadden, Arps, Slate, Meagher & Flom LLP, counsel to the Debtors
(Attention: Kayalyn A. Mariafioti, Esq.)

Fried, Frank, Harris, Shriver & Jacobson, counsel to the Steering
Committee (Attention: Bonnie Steingart, Esq.)

Office of the United States Trustees (Attention: Richard Morrissey, Esq.)

PROFESSIONALS WHOSE TIME WAS CHARGED TO THE DEBTORS

NAME	YEAR OF ADMISSION	RATE¹	HOURS	AMOUNT
PARTNERS				
Keith Bordell (KSB)	1988	£395.00	37:36	£14,852.00
		£420.00	13:48	£5,796.00
Simon Buckingham (SXB)	1979	£395.00	66:42	£26,346.50
		£420.00	08:18	£3,486.00
Alasdair Douglas (AFD)	1981	£395.00	30:54	£12,205.50
		£450.00	21:24	£9,540.00
Andrew Gregson (AZG) ²	1994	£375.00	34:36	£12,975.00
		£395.00	103:48	£41,001.00
John Kingston (JWK)	1973	£420.00	09:18	£3,906.00
Richard Marke (REM) ²	1994	£375.00	19:54	£7,462.50
		£395.00	89:42	£35,431.50
Stephen Paget-Brown (SPB)	1984	£420.00	01:42	£714.00
Richard Skelton (RNS)	1993	£375.00	12:00	£4,500.00
		£420.00	01:00	£420.00
Spencer Summerfield (SRS)	1989	£395.00	116:48	£46,136.00
		£450.00	29:12	£13,140.00
Jane Tuckley (JXT)	1988	£420.00	00:12	£84.00
Jeremy Walsh (JMW)	1985	£395.00	60:30	£23,897.50
		£420.00	26:24	£11,088.00
Rachel Mansfield (RFM)	1992	£375.00	07:06	£2,662.50
Dorothy Henderson (DMH)	1985	£395.00	13:24	£5,293.00
Alistair Wilson (AXW)	1983	£395.00	00:12	£79.00
		£420.00	02:18	£966.00
Margaret Moore (MAM)	1984	£395.00	01:00	£395.00
Andrew King (AAK)	1989	£395.00	77:30	£30,612.50
		£420.00	18:18	£7686.00
Margaret Chamberlain (MAC)	1985	£395.00	00:42	£276.50
Michael Bardell (MRB)	1985	£395.00	03:00	£1,185.00

¹ Travers Smith Braithwaite's chargeout rates for Partners, Assistants and Paraprofessionals were increased for all clients with effect from 22 July 2002. This is standard Travers Smith Braithwaite practice following the start of each UK financial year on July 1. Work done from 8 May 2002 to 21 July 2002 inclusive is charged at the lower rate of the two listed for each Partner, Assistant or Paraprofessional. Work done from 22 July 2002 to 5 September 2002 inclusive is charged at the higher of the two rates.

² The chargeout rates for Andrew Gregson (AZG) and Richard E Marke (REM) increased from £330 per hour to £375 per hour on 1 July 2002 as they became Partners on this date.

NAME	YEAR OF ADMISSION	RATE ¹	HOURS	AMOUNT
		£420.00	01:06	£462.00
			808:24	£322,689.00
ASSISTANTS				
Nigel Barratt (NPB)	1992	£365.00	00:54	£328.50
Emily Clark (EXC)	2000	£190.00	04:12	£798.00
		£235.00	09:24	£2,209.00
Martin Hyde (MJH)	2002	£170.00	07:24	£1,258.00
		£185.00	01:36	£296.00
Tim Lewis (TML)	1998	£285.00	00:18	£85.50
Ben Mays (BDM)	1999	£220.00	02:00	£440.00
		£255.00	02:18	£586.50
Richard Spedding (RRS)	1996	£300.00	202:12	£60,660.00
		£335.00	193:24	£64,789.00
Aaron Stocks (RAS)	2000	£210.00	206:24	£43,344.00
		£245.00	35:24	£8,673.00
Joanne Walker (JXW)	1999	£230.00	01:12	£276.00
		£270.00	07:12	£1,944.00
Ben Williams (PBW)	2001	£170.00	02:42	£459.00
		£195.00	18:12	£3,549.00
Richard Marke (REM)	1994	£330.00	33:18	£10,989.00
Andrew Gregson (AZG)	1994	£330.00	138:00	£45,540.00
Simon Attey (SRA)	1996	£325.00	00:48	£260.00
Harriet Morgan (HLM)	1994	£225.00	04:00	£1,020.00
Kulsoom Hadi (KAH)	1994	£330.00	02:18	£759.00
Andrew Gillen (ANG)	1996	£300.00	01:18	£390.00
Shelley Trewick (MAT)	1996	£300.00	03:36	£1,080.00
Catherine Parker (CMP)	1997	£270.00	01:06	£297.00
Kate Shawyer (KMS)	1998	£240.00	00:42	£168.00
Daniel Reavill (DRR)	1999	£220.00	20:42	£4,554.00
		£255.00	16:18	£4,156.50
Ed Bowyer (ECB)	2000	£210.00	01:30	£315.00
Michael Campbell (MJC)	1999	£230.00	00:54	£207.00
David Fletcher (DXF)	2000	£235.00	01:42	£399.50
Robert Barry (RJB)	1995	£300.00	23:30	£7,050.00
			944:30	£266,880.50

NAME	YEAR OF ADMISSION	RATE ¹	HOURS	AMOUNT
TRAINEES³				
Toby Cox (TJC)	Trainee	£115.00	23:24	£2,691.00
Philip Gordon (PKG)	Trainee	£115.00	214:00	£24,610.00
William Howard (WFH)	Trainee	£125.00	206:42	£25,837.50
Katie O'Neill (CAO)	Trainee	£115.00	39:00	£4,485.00
Charlie Platts (CLP)	Trainee	£115.00	122:54	£14,133.50
Tamsin Priddle (TXP)	Trainee	£115.00	03:06	£356.50
Anneke Soper (AFS)	Trainee	£115.00	07:54	£908.50
Guy Wheeler (GDW)	Trainee	£115.00	05:00	£575.00
Sarah Petrie (SEP)	Trainee	£115.00	01:30	£172.50
Adrian West (AJW)	Trainee	£125.00	03:24	£425.00
Toby Newman (TXN)	Trainee	£125.00	01:00	£125.00
James Hodges (JZH)	Trainee	£125.00	03:00	£375.00
Charlotte Copeland (CVC)	Trainee	£125.00	06:30	£812.50
Louise Hill (LCH)	Trainee	£115.00	13:54	£1,598.50
Katie Herald (KLH)	Trainee	£125.00	00:42	£87.50
Freya Villis (FRV)	Trainee	£125.00	27:36	£3,450.00
			679:36	£80,643.00
PARAPROFESSIONAL⁴				
Ruth Bracken (RPB)	n/a	£105.00	00:48	£84.00
		£110.00	00:06	£11.00
Shirley Lofthouse (SJL)	n/a	£105.00	00:42	£73.50
		£110.00	01:06	£121.00
			02:42	£289.50
		TOTAL	2435:12	£670,502.00⁵
BLENDED HOURLY RATE				£275.34⁶

³ Chargeout rates for trainees did not change in July 2002.

⁴ The paraprofessionals listed work in the companies administration and information centre departments.

⁵ This is approximately US\$1,077,328.56 (based on a currency conversion rate of £1 = US\$1.60675)

⁶ This is approximately US\$442.40 (based on a currency conversion rate of £1 = US\$1.60675)

Hearing Date: _____, 2003
Hearing Time: __:_____.m.

TRAVERS SMITH BRAITHWAITE
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Debtors and Debtors-in-Possession
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Jeremy M. Walsh

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re	Chapter 11
NTL, INC., <u>et al.</u> ,	Case Nos. 02-41316 (ALG)
Debtors.	Jointly Administered
----- X	

FINAL APPLICATION
OF TRAVERS SMITH BRAITHWAITE, SPECIAL UK COUNSEL TO NTL
INCORPORATED, ET AL, DEBTORS AND DEBTORS-IN-POSSESSION,
PURSUANT TO 11 U.S.C. § 330 AND FED. R. BANKR. P. 2016(a) FOR
ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND
REIMBURSEMENT OF EXPENSES INCURRED FOR THE
PERIOD MAY 8, 2002 THROUGH SEPTEMBER 5, 2002

TO THE HONORABLE ALLAN L. GROPPER
UNITED STATES BANKRUPTCY JUDGE:

Travers Smith Braithwaite ("TSB"), special United Kingdom ("UK") counsel for the company now called NTL Europe, Inc. (previously called NTL Incorporated) ("NTL") and certain of its subsidiaries and affiliates (the "Affiliate Debtors"), debtors and debtors-in-possession (collectively, the "Debtors"),⁷ hereby submits its final application for entry of an order allowing compensation for services rendered and reimbursement of expenses incurred (the "Final Application") under 11 U.S.C. § 330 and Fed. R. Bankr. 2016 for the period from May 8, 2002 through September 5, 2002 (the "Application Period"), and in support thereof, respectfully represents as follows:

Preliminary Statement

1. On May 8, 2002 (the "Petition Date"), each of the Debtors filed with this Court a voluntary petition for reorganization relief under Chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as amended (the "Bankruptcy Code"). The Debtors continued to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. Concurrently therewith, the Debtors filed, among other things, their joint plan of reorganization (the "Initial Plan"). The Initial Plan was amended on May 24, 2002 and further amended on July 15, 2002 and on September 5, 2002. The Initial Plan (as so amended), was confirmed under section 1129 of the Bankruptcy Code on

⁷ Pursuant to the order confirming the Plan, dated September 5, 2002 (the "Confirmation Order"), and after substantial consummation thereof occurred on January 10, 2003, the Debtors' capital structure has changed significantly. Accordingly, all references herein are to pre-consummation Debtor entities.

September 5, 2002 (the "Confirmation Date") and was subsequently amended further (as so amended, the "Final Plan").

2. No trustee or examiner was appointed in the Debtors' cases.

3. On June 24, 2002, the United States Trustee appointed an official committee of unsecured creditors (the "Creditors Committee").

4. The Final Plan, as subsequently amended, was consummated on January 10, 2003.

5. This Court has jurisdiction over this Final Application pursuant to 28 U.S.C. §§ 157 and 1334. Consideration of this Final Application is a core proceeding under 28 U.S.C. § 157(b). Venue of the Debtors' Chapter 11 cases and this Final Application is proper in this district under 28 U.S.C. §§ 1408 and 1409.

6. This Final Application has been prepared in accordance with the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases, adopted by the Court on April 19, 1995 (the "Local Guidelines"), and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, adopted on January 30, 1996 (together with the Local Guidelines, the "Guidelines"). Pursuant to the Local Guidelines, a certification regarding compliance with the Local Guidelines is attached hereto as Exhibit A. A declaration required under Fed. R. Bankr. P. 2016 is attached as Exhibit B.

Background

7. By application dated May 8, 2002, the Debtors applied to the Court for authorization to retain TSB as their special UK counsel. By order dated May 10, 2002 (which became final by its terms on June 12, 2002), the Court approved the employment and retention of TSB as special UK counsel for the Debtors under sections 327(a) and 329 of the Bankruptcy Code and Bankruptcy Rules 2014 and 2016. A copy of the Court's Retention Order is attached hereto as Exhibit C. TSB was retained under a general retainer as of the commencement of the cases to perform the following professional services for the Debtors:

- (a) advising the Debtors and assisting Skadden, Arps, Slate, Meagher & Flom LLP ("Skadden, Arps") in connection with evaluating the UK aspects of, and implementing, corporate transactions, including those contemplated by any plan or plans of reorganization (which may include, among other things, the design and issuance of new securities, the infusion of additional capital and one or more merger and acquisition transactions);
- (b) advising the Debtors and assisting Skadden, Arps in connection with the UK aspects of the Debtors' post-petition financing and cash collateral arrangements, if any, and negotiating and drafting documents relating thereto;

- (c) advising the Debtors (and any UK officeholders who may be appointed) in connection with any related insolvency proceedings in the UK;
- (d) advising the Debtors and assisting Skadden, Arps in negotiating and drafting plans of reorganization or similar documents in connection with related insolvency proceedings in the UK;
- (e) advising the Debtors and assisting Skadden, Arps with respect to UK general corporate legal issues arising in the Debtors' ordinary course of business;
- (f) attending meetings and participating in negotiations with respect to the above matters;
- (g) representing the Debtors in connection with the preservation of assets located in the UK and all required negotiations with the bank lenders to the Debtors' non-Debtor UK subsidiaries;
- (h) appearing before the District Court, any district or appellate courts, and/or the courts of the UK with respect to the matters referred to above; and
- (i) performing all other necessary legal services and providing all other necessary legal advice to the Debtors on connection with or related to the matters referred to above.

8. Pursuant to paragraph B.2 of the Local Guidelines and the Court's order, entered June 17, 2002, establishing procedures for interim compensation and reimbursement of expenses of professionals (the "Interim Compensation Order"), no later than 20 days after the end of each month during the Application Period, or the following Monday if such date fell on a weekend date, TSB provided NTL, the U.S. Trustee, and counsel for the Creditors' Committee with a monthly statement of fees and disbursements accrued during such month.⁸ Because the time period from the Petition Date to the Confirmation Date lasted just 120 days, no professionals were required to final interim fee applications. All quarterly fees have been paid by NTL to the United States Trustee, and all monthly operating reports required under the United States Trustee Operational Guidelines have been timely filed.

9. TSB also rendered professional services directly to an English subsidiary of the Company, ntl Group Limited, and to the administrators of two other subsidiaries, Diamond Cable Communications Limited and Diamond Holdings Limited. TSB's charges in respect of these services were billed directly to ntl Group Limited or the administrators (as the case may be) and are not the subject of this application.

⁸ Pursuant to the Interim Compensation Order, upon presentment of its monthly statement of fees and disbursements to NTL, and after the expiration of a 15-day objection period, TSB was paid 80% of its fees and 100% of its disbursements.

Relief Requested

10. TSB Submits this Final Application pursuant to 11 U.S.C. § 330 for (a) final allowance of compensation for professional services rendered on behalf of the Debtors in the amount of £670,502.00⁹, which amount is derived solely from the applicable billing rate of TSB's personnel who rendered such services, and (b) reimbursement of actual and necessary out-of-pocket disbursements and charges incurred in connection with the rendition of required professional services on behalf of the Debtors during the Application Period in the amount of £17,693.49¹⁰.

11. During the Application Period, TSB spent a total of approximately 2435:12 hours on the representation of the Debtors. Of the aggregate time expended, 808:24 hours were spent by partners, 944:30 hours were spent by assistants, 679:36 hours were spent by trainees and 02:42 hours were spent by paraprofessionals. A schedule showing the name and position of each such partner, counsel, assistant, trainee and paraprofessional, together with that person's date of admission (if applicable), hours worked during these cases, and hourly billing rate is provided at the front of this Final Application. The rates set forth herein are the standard hourly attorney and paraprofessional fee rates used at TSB. TSB bills clients for reasonable charges and disbursements incurred in connection with an engagement. Clients are billed for external charges at the actual cost billed by vendors. Express carriers are

⁹ This is approximately US\$1,077,328.56 (based on a currency conversion rate of £1 = US\$1.60675)

¹⁰ This is approximately US\$28,429.00 (based on a currency conversion rate of £1 = US\$1.60675)

used only when first class mail is impracticable and the exigencies of time require this form of delivery. Couriers are only used when time is of the essence. Business meals are charged to a client if an attorney is meeting with a client during breakfast, lunch or dinner. TSB only charges clients for long distance telephone calls that are made by an attorney from his home address, his personal cellular telephone or that are made during a conference call. TSB's expenses will also include the hourly rates for Mark Phillips Q.C., Robin StJohn Knowles Q.C. and Stephen Atherton, the barristers instructed by TSB in the matter. Attached hereto as Exhibit D are TSB's time records (the "Time Detail") that detail the services performed and the time expended by each attorney and paraprofessional during the Application Period. In addition, TSB's Summary of Fees by Billing Matter is attached hereto as Exhibit E.

12. TSB maintains records of the time it expended in the rendition of all professional and paraprofessional services. TSB's time records were made concurrently with the rendition of professional services.

13. This Final Application seeks final allowance of fees and expenses incurred during the Application Period. The name of each TSB professional who rendered services for the Debtors and a statement of the hours worked and tasks performed by each individual, broken out by specific matter, project, or category, are set forth in the Time Detail. The Time Detail consists of the contemporaneous time records of TSB and provides details of the services performed, the dates on which such work was performed, the identity of the professionals and paraprofessionals

performing the work, and the time spent by each reflected in tenth of an hour increments.

Description Of Services Rendered By
TSB During The Application Period

14. Throughout the Application Period, TSB worked closely with the Debtors to implement several different strategies designed to allow the Debtors to emerge from chapter 11. The Debtors emerged on January 10, 2003. As discussed herein, TSB's services were directed toward a myriad of tasks necessary to achieve the goal of the Debtors' exit from Chapter 11. TSB submits that the legal services and advice that it rendered to the Debtors in connection with their chapter 11 cases were necessary and beneficial to the Debtors, their creditors, and their estates.

15. TSB's time records, which are annexed to this Final Application, provide ample detail of the services performed. This section of the Final Application describes the more substantial services performed and the role played by TSB during the Application Period, and highlights certain crucial parts of the case that required particularly intense dedication by TSB's attorneys.

A. Disclosure Statement/Voting Issues

16. TSB spent considerable time commenting on and drafting parts of the Disclosure Statement as well as drafting revisions to the Disclosure Statement required to update statements made as at the date of the document and to reflect the current position of related negotiations and discussions to which TSB were party.

TSB also considered and commented on the omissions from the Disclosure Statement which needed to be included in a Supplemental UK public offer of securities (POS) prospectus.

17. In connection therewith, TSB analysed numerous issues relating to, among other things, (a) Financial Services and Markets Act 2000 (b) UK Public Offer of Securities Regulations 1995 (c) UK tax law implications and (d) UK banking law implications. This Disclosure Statement required multiple revisions due to regular discussions with Skadden, Arps for US law implications and also discussions with counsel for both the Creditors Committee and the banks.

18. TSB liaised with the UK and Irish management of NTL subsidiaries and discussed drafting changes with Skadden, Arps for US law implications and also counsel for both the Creditors Committee and the banks.

B. Financing (DIP)

19. One primary concern of all parties in interest in these chapter 11 cases was the availability of debtor-in-possession financing. TSB were engaged in regular lengthy discussions with the banks and Creditors Committee and their respective counsel to address their concerns regarding the proposed DIP facility and the schedule to the facility. TSB have also worked with NTL concerning the drafting of, and disclosures affecting, the proposed DIP facility.

20. TSB engaged in regular discussions with NTL management and US Counsel to address the proposed treatments of NTL Delaware receivables under the

DIP facility. This involved reviewing and amending NTL Delaware Subordination Agreements and commenting on appropriate documentation and structures.

21. Considerable time was also spent reviewing and amending the DIP facility schedules to reflect the current events of default under the Credit Agreements. TSB also engaged in regular discussions with NTL Management and US Counsel in relation to the DIP Facility with specific focus on the existing events of default under the Credit Agreements and drafted a request for consent in relation to certain proposed transactions in the Cablecom group.

22. Time was further spent liaising with US Counsel on proposed amendments to the Foreign Subsidiary Subordination Agreements.

C. Rights Offering

23. TSB drafted, reviewed and amended the Prospectus required for a POS in the UK. This included consideration of the Disclosure Statement and Plan already produced to satisfy US requirements and additional issues raised by research done on UK POS regulations and exemptions. TSB raised queries with NTL on the SEC documents filed by NTL Inc. and NTL Communications Corp. to obtain details required for the Prospectus. These included details of the constitution bylaws, board applications, directors interests and merger documentation of the two companies. TSB also drafted a supplemental prospectus which updated and added detail to the information in the Prospectus.

24. TSB liaised with Skadden, Arps to advise on UK requirements and to discuss applicable US Bankruptcy Code requirements.

25. TSB also liaised with Ernst & Young and Blair England of NTL with specific reference to the Prospectus and issues arising from it and from the consent required from Ernst & Young to their audit reports' inclusion.

26. TSB advised on the responsibility of directors and NTL in relation to the Prospectus.

27. TSB discussed the contents of the Prospectus and Supplemental Prospectus (filed on August 27, 2002) with counsel for the Creditors Committee.

D. Cablecom

28. TSB liaised with NTL senior management, Swiss's Counsel and Bank Counsel in relation to completing conditions subsequent to the interim financial restructuring of Cablecom, including those conditions relating to the resolution of the overindebtedness of certain subsidiaries by means of inter-group mergers and the subordination of intra-group debt.

29. TSB liaised with NTL Senior Management, Swiss Counsel, Price Waterhouse Coopers and Clifford Chance in relation to the sale of the Swissguide business, the sale of certain properties by Rediffusion and the subsequent sale of Rediffusion itself. TSB prepared the waiver and consent letters for these matters and reviewed the waiver originally proposed to be given in respect of the Cablecom facility at the Effective Date.

30. TSB also reviewed the engagement letters relating to the appointment of investment banks to advise on the sale of the Cablecom group. TSB attended an all-bank meeting in relation to Cablecom and gave a presentation to Cablecom staff on the key provisions of the Cablecom credit facility.

E. Premium TV

31. TSB spent a significant amount of time liaising with NTL senior management, PTV management, KPMG and Skadden, Arps to discuss the strategy to be pursued regarding the funding and operations of Premium TV Limited (a subsidiary of NTL Delaware, Inc.). This included a review of the legal position concerning PTV's investment in its joint venture company FLPTV; review of relevant contractual documentation, and advising in relation to the position of NTL (Delaware) Inc. as guarantor and reviewing and commenting on a draft report by KPMG.

32. In particular TSB reviewed and advised on matters in relation to the funding obligations to the Football League Clubs and the joint venture arrangements; the joint venture Variation Agreement; PTV contingency papers; LCFC.com and the position of alternate directors; the BBL settlement; the Rangers Loan Agreement; the Eurosport Agreement; Classic Sport Ltd and the ESPN proposal.

33. In addition TSB researched various matters in connection with the PTV guarantee and the sponsorship arrangements; on Participating Clubs right to veto a change to terms of the Rights Agreement; on grounds for refusal of relief; on

whether it would have been possible for FLPTV to exploit certain rights under the Rights Agreement; potential set-offs and on the transmission of match commentary. TSB also carried out research in relation to certain statutes relating to UK VAT.

34. TSB spent considerable time on detailed discussion and intensive negotiations regarding a variation agreement; related trust letters; account charge and reaching a conclusion of settlement with the Football League.

35. TSB also provided general advice on directors duties.

F. Retention and Fee Matters

36. TSB spent time preparing and reviewing Monthly Statements for professional services rendered and disbursements incurred for the period May 8, 2002 through to September 5, 2002 in accordance with the Administrative Order Under 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals.

G. General Corporate Advice

37. TSB spent time reviewing and advising on Financial Services and Market Act 2000 ("FSMA") issues relating to website and proposed announcements; eligibility for FTSE UK Index; loss of listing and further FSMA issues. TSB also advised on the mechanics and timing issues relating to listing of new NTL on London.

38. TSB also spent time reviewing and advising NTL in connection with the shareholder loans made by NTL to Two Way TV Limited.

39. TSB also gave general corporate advice on Company Voluntary Arrangements; Schemes of Arrangements; banking and bifurcation issues; supplemental indentures and waivers of events of default.

H. Reorganization Plan

40. TSB spent considerable time commenting on the Reorganization Plan required to reflect the current position of related negotiations and discussions to which TSB are a party. In connection therewith TSB used their analysis of the numerous issues arising in relation to the Disclosure Statement, as referred above and their knowledge of the corporate group structure and TSB reviewed and commented upon the draft Confirmation Order.

I. Case Administration

41. TSB spent time reviewing the timetable of Court meetings; notices of motion; administration of cases; pre-petition obligations and Orders re the retention of Kane Reece and Innesfree.

42. TSB also reviewed and organized various Court Motions; Court Orders; Confirmation Orders; papers; documents and correspondence made in the Chapter 11 cases.

J. Non-Working Travel Time

43. TSB spent time travelling between various meetings within the UK and between the UK, Zurich and New York.

K. Tax Matters

44. TSB advised in relation to UK tax matters affecting the Disclosure Statement, the reorganization of the group's holding in National Transcommunications Spain, S.L. ("Nat Trans"); the bifurcation of new NTL and Euroco and the required documentation; the tax treatment of impaired debt in relation to the Diamond Bonds; advice on payment of monies under the Separation Agreement with CWC; the use of net operating losses; the continuing issues surrounding property separation arising out of the Cable & Wireless deal and funding the related payments; the impact of US state taxes on the DIP facility; the tax consequences of NTL CC becoming a UK resident company; advice on new substantial shareholding exemption in Finance Act 2002 and advice on PTV commercial matters.

45. Tax advice was given on the tax sharing agreement between Euroco and New NTL; on the restructuring of the PTV joint venture company FLPTV and, in particular, on the VAT obligations in respect of the payment structure; on the tax aspects of the banking facilities; on property separation arising out of the Sceptre transaction; on the transfer of the Diamond Bonds in chapter 11 restructuring; and on the document being prepared for the chapter 11 court hearing.

46. Tax advice was also given on the clearance application to the Inland Revenue in respect of the Nat Trans reorganization, including liaising with Skadden,

Arps and Jeni Sarson (NTL in-house tax adviser) and drafting the clearance application; and on the tax representations in relation to the banking documents.

L. Minority Interests

47. TSB liaised with NTL senior management, Skadden, Arps and Credit Suisse First Boston to discuss the strategy to deal with minority interests in the new group structure, and the impact of the chapter 11 cases on the minority interests. In particular TSB advised on strategies relating to potential claims against NTL (Delaware) Inc and NTL Incorporated relating to their funding of B2 Bredband AB. TSB also participated in discussions with counsel for the Official Committee regarding these strategies including attending meetings in New York.

M. SDN

48. TSB spent time advising in relation to SDN Limited, a joint venture company, NTL's investment in which is held indirectly by NTL Communications Corp., including advising in relation to its future funding and operations and the responsibilities of NTL's nominees as directors on the board of SDN including preparing revisions to the SDN Shareholders Agreement and preparing funding letters.

N. Asset Disposition

49. In the event, TSB did not give any advice regarding asset disposition.

O. Credit/Interestholder Meetings

50. TSB spent a brief amount of time discussing credit/interestholder meetings.

P. Financing (Exit)

51. TSB liaised with NTL senior management, Skadden, Arps and CSFB to discuss the volume and timing of documentation with Cablecom; the sale process; and the timing of strategic initiatives. TSB advised on the FTSE requirements.

52. TSB also reviewed the Exit Facility term sheet and considered the implications.

Q. Press/Public Affairs

53. TSB provided UK law regulatory advice in relation to the impact of the chapter 11 cases on public accounts in the UK and liaised in connection therewith with NTL and Brunswick. TSB also provided UK law regulatory advice in relation to the publication of the Debtors' quarterly results and the web-casting by Bloomberg.com of management presentations.

R. Strategic Initiatives

54. TSB discussed a venue for Euroco and New NTL listing; advised on FTSE 100 eligibility and FTSE requirements. TSB also instructed counsel in relation to a possible scheme of arrangement.

III.

Applicable Authority

55. When awarding compensation to counsel for a debtor pursuant to section 330 of the Bankruptcy Code,¹¹ among the factors to be considered by this Court are whether (i) the services performed were beneficial, at the time rendered, toward the completion of the case, (ii) the services performed were commensurate with the complexity, importance, and nature of the issues addressed, and (iii) the compensation is reasonable when compared with the cost of comparable non-bankruptcy services. 11 U.S.C. § 330(a)(3); see also In re Ames Department Stores, Inc., 76 F.3d 66, 71 (2d. Cir. 1996) (determining that 1994 amendments to section 330 of the Bankruptcy Code departed from a "doctrine of strict review" of fee awards and moved "toward greater equity in estate management" by taking the position that "compensation in bankruptcy matters be commensurate with the fees awarded for

¹¹ 11 U.S.C. § 330(a) provides in pertinent part:

- (a)(1)...[T]he Court may award to ...a professional person employed under section 327 or 1103 -
- (A) reasonable compensation for actual, necessary services rendered by the trustee, examiner, professional person, or attorney and by any paraprofessional person employed by any such person; and
 - (B) reimbursement for actual, necessary expenses.

* * *

(3)(A) In determining the amount of reasonable compensation to be awarded, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including -

- (A) the time spent on such services;
- (B) the rates charged for such services;
- (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue or task addressed; and
- (E) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under the title.

comparable services in non-bankruptcy cases" and awarding fees for services that were "beneficial at the time at which the service was rendered").

56. TSB has demonstrated in this Final Application that the services it has performed on the Debtors' behalf were necessary and reasonable and have benefited the Debtors' estates.

IV.

Allowance Of Compensation

57. Experience of TSB. The partners in charge of the TSB engagement were Spencer Summerfield and Jeremy Walsh. Mr. Summerfield is a Partner of TSB, a member of TSB's Corporate Department and a member of the City of London Law Society's Company Law Sub-Committee. Mr. Summerfield has considerable experience of corporate reorganizations. Mr. Summerfield is a regular contributor to legal journals and text books, including several chapters of "Tolley's Company Law". Jeremy Walsh is also a Partner of TSB, Head of the Corporate Recovery Department and has considerable experience in English insolvency proceeding and business reorganizations. Mr. Walsh is a member of the Association of Business Recovery Professionals, INSOL, INSOL Europe and the International Bar Association.

58. Throughout the case, Spencer Summerfield and Jeremy Walsh supervised many of TSB's solicitors and were involved in many aspects of TSB's representation of the Debtors. Other partners with considerable involvement in the

TSB engagement were Alasdair Douglas, Simon Buckingham, Andrew Gregson, Richard Marke and Andrew King.

59. Alasdair Douglas is also a Partner of TSB, Head of the Tax Department and was the principal TSB Partner advising in relation to UK tax matters affecting the Reorganization Plan of the group. Mr. Douglas is a member of the City of London Law Society's Revenue Law sub-committee, a Fellow of the Institute for Advanced Legal Studies and serves on the Executive Committee of Oxford University Careers Service. Publications include regular contributions to "Tolley's Company Law (Insider Dealing and Auditors)" and "Tolley's Tax Planning (Limited Partnerships)".

60. Simon Buckingham and Andrew Gregson are also Partners of TSB, members of TSB's Banking Department, specialise in acquisition finance as well as structured and asset finance and have considerable experience in relation to complex debt restructurings.

61. Andrew King is a Partner of TSB, a member of TSB's Litigation Department and a member of City of London's Solicitors Company. Mr. King was the principal TSB partner advising on contentious matters affecting some of the Debtors' UK joint venture investments, in particular Premium TV Limited ("PTV").

62. Richard Marke is a Partner of TSB, a member of TSB's Commercial Department, a member of TIPLO (The Intellectual Property Lawyers Organisation)

and the Solicitors European Group. Mr. Marke was the principal TSB partner advising on commercial and intellectual property matters affecting PTV.

63. The scope of services TSB provided to the Debtors in the cases was wide. Addressing the numerous issues raised by these cases has required expertise in non-insolvency law areas such as corporate reorganisation, banking law, UK securities laws, cross-border taxation, litigation and intellectual property law as well as insolvency law. TSB's lawyers have efficiently used their breadth of knowledge and skill to assist the completion of the tasks required in these bankruptcy cases. Further because of TSB's familiarity with the Debtors' business operations, capital structure and restructuring efforts and TSB's representation of the Debtors in the parallel administration proceedings in the UK concerning Diamond Cable Communications Limited and Diamond Holdings Limited, TSB were able to represent the Debtors in a cost-effective and efficient manner. Had the Debtors been required to retain attorneys other than TSB to represent them as special UK counsel in relation to these Chapter 11 cases, the Debtors, their estates, and all parties-in-interest would have been severely hampered and prejudiced by the time and expense that would necessarily have accompanied such a change in UK counsel.

64. Compensation sought. Because of the benefits realized by the Debtors and their Estates, the nature of these cases, the experience of TSB and the attorneys who rendered services, the amount of work done, the time consumed, the skill required, and the contingent nature of the compensation, TSB requests that it be

allowed £670,502.00 in compensation, representing all fees for professional services rendered during the Application Period.

65. Reimbursement of Expenses. TSB requests that it be granted reimbursement of expenses in the amount of £17,693.49, which represents the following sums for actual and necessary expenses incurred in the rendition of professional services in these cases:

DISBURSEMENTS¹²

Courier& Express Carriers ¹³	£606.42
Local Transportation	£693.68
Travel Charges	£9,217.47
Company Searches	£24.00
Business Meals ¹⁴	£74.76
Computer Legal Research	£233.50
Counsel's Fees	£4,825.00
Long Distance Telephone Calls ¹⁵	£381.72

CLIENT TOTAL: £17,693.49¹⁶

¹² TSB bills clients for reasonable charges and disbursements incurred in connection with an engagement. Clients are billed for external charges at the actual cost billed by vendors. The disbursements and charges reflected in this statement are those that have been booked between 8 May 2002 through 5 September 2002.

¹³ Express carriers are used only when first class mail is impracticable and the exigencies of time require this form of delivery. Couriers are used only when time is of the essence.

¹⁴ Business meals are charged to a client if an attorney is meeting with a client during breakfast, lunch or dinner.

¹⁵ TSB only charges clients for long distance telephone calls that are made by an attorney from his home address, his personal cellular telephone or that are made during a conference call.

¹⁶ This is approximately US\$28,429.00 (based on a currency conversion rate of £1 = US\$1.60675).

66. Exhibit F to this Final Application provides further information and detail concerning the TSB's expenses from May 8, 2002 through to September 5, 2002 (the "Disbursement Detail").

WHEREFORE, TSB respectfully requests that the Court enter an order granting it (a) compensation for professional services rendered as Special UK Counsel for the Debtors during the Application Period in the sum of £670,502.00, plus reimbursement of actual and necessary expenses incurred in the sum of £17,693.49, and (b) grant TSB such other and further relief as is just and proper.

Dated: London, UK

February 6, 2003

TRAVERS SMITH BRAITHWAITE
Special UK Counsel for ntl, Inc., et al.
Debtors and Debtors-in-Possession

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Index of Exhibits

Exhibit A	-	Certification
Exhibit B	-	Declaration Under Fed. R. Bankr. P. 2016
Exhibit C	-	Retention Order
Exhibit D	-	Time Detail
Exhibit E	-	Summary of Fees By Billing Matter
Exhibit F	-	Disbursement Detail